

“P3” PROSPECTUS

FOR

Island Life Village f/k/a Roy's Trailer Park

(Division File Number PRMZ000513 - P3)

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November 20, 2008

ISLAND LIFE VILLAGE

THIS PROSPECTUS CONTAINS VERY IMPORTANT INFORMATION REGARDING YOUR LEGAL RIGHTS AND YOUR FINANCIAL OBLIGATIONS IN LEASING A MOBILE HOME LOT. MAKE SURE THAT YOU READ THE ENTIRE DOCUMENT AND SEEK LEGAL ADVICE IF YOU HAVE ANY QUESTIONS REGARDING THE INFORMATION SET FORTH IN THIS DOCUMENT.

THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE LESSEE SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.

ORAL REPRESENTATIONS SHOULD NOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE PARK OWNER OR OPERATOR. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

UPON DELIVERY OF THE PROSPECTUS TO A PROSPECTIVE LESSEE, THE RENTAL AGREEMENT IS VOIDABLE BY THE LESSEE FOR A PERIOD OF 15 DAYS.

SUMMARY

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PROSPECTUS FOR
ISLAND LIFE VILLAGE

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PROSPECTUS

INTRODUCTION

This Prospectus has been prepared in accordance with Chapter 723, Florida Statutes. The intent of the Prospectus is to provide all pertinent information and disclosure required by Chapter 723. Each prospective Home Owner of the Park is urged to read this Prospectus and the Exhibits attached hereto carefully and completely.

DEFINITIONS

All terms within this prospectus are defined in accordance with Chapter 723, Florida Statutes, and with the rules of the Department of Business and Professional Regulation, or are used according to their plain meaning. Additionally, the following terms as used herein are defined as follows:

“Delivery date” -- means the date that a copy of this Prospectus was first delivered by the Park Owner to the Home Owner as reflected in the business records of the Park.

“Filing date” -- means the date on which this Prospectus was filed for review with the State of Florida Department of Business and Professional Regulation, Division of Land Sales, Condominiums and Mobile Homes.

“Pro rata” -- means that percentage derived by dividing the number of mobile home spaces leased by a Home Owner by the total number of occupied mobile home spaces in the Park.

“Park Owner” -- means the owner of the Park and Park Management.

I. NAME AND LOCATION OF PARK

The name of the Manufactured Home Park is ISLAND LIFE VILLAGE, and its location is 6500 Maloney Avenue, Key West, Florida 33040.

II. PERSON AUTHORIZED TO RECEIVE NOTICES

The name and address of the person authorized and designated by the Park Owner as the person to receive notices and demands on the Park Owner's behalf is:

Michael L. Browning
New Moon Management Group, Inc.
529 Whitehead Street
Key West, Florida 33040

III. DESCRIPTION OF PARK AND PARK PROPERTY

The lot sizes used herein are only approximations. The park has not been surveyed and some spaces may be larger or smaller than as described herein. Any exceptions to these sizes exist as the result of engineering and/or construction errors without complaint of the Home Owner or governing authorities.

Spaces have been allocated in such a manner as to provide Home Owners adequate outside living space. The Park Owner has no evidence to indicate that setback and separation requirements in existence at the time of allocation were not satisfied.

Number of Lots. There are currently 106 lots within the Park; one additional lot contains the Park Office and is not available for lease. All lots are contained within a single section which comprises the entire Park.

Size of Lots. The approximate size of the lots is 42' x 70'.

Setback Requirements and Minimum Separation Distance Required By Law. There are several requirements of law with respect to how far each mobile home within the Park must be set back from the borders of its lot and the distance that must be maintained from each mobile home in the Park and its supporting facilities (such as, for example, a carport) to other mobile homes, supporting facilities and structures in the Park.

Pursuant to Rule 4A-42.05, Florida Administrative Code, the State Fire Marshall has adopted the NFPA Code. This code set forth minimum separation distance requirements between Manufactured Homes as follows:

Fire Safety Separation Requirements: Any portion of a Manufactured Home, excluding the tongue, shall not be located closer than 10 feet side to side, 8 feet end to side or 6 feet end to end horizontally from any other Manufactured Home or Park building unless the exposed composite walls and roof of either structure are without openings and constructed of materials which will provide a one-hour fire rating, or the structures are separated by a one-hour fire rated barrier.

Accessory Building or Structure Fire Safety Requirements. A carport, awning, ramada, or open (screened) porch shall be permitted to be located immediately adjacent to a site line when constructed entirely of materials which do not support combustion and provided that such facilities are not less than 3 feet from a building, cabana, or enclosed porch on an adjacent site. A carport, awning, or ramada or open (screened) porch using combustible materials shall not be located closer than 5 feet from the site line of an adjoining site.

In addition to the requirements of the State Fire Marshall as set forth above, Monroe County, Florida, has enacted certain zoning regulations controlling the set back and separation of mobile homes within the park. Setback requirements and minimum separation distance between mobile homes, pursuant to the Monroe County Code, Section 19-200-(b)(5) are as follows:

1. Minimum yards required between mobile homes or any enclosed appurtenances and lot lines shall be:
 - a. Front yard, twenty (20) feet.
 - b. Side yard, fifteen (15) feet.
 - c. Rear yard, ten (10) feet.
2. Minimum distance between detached structures shall be ten (10) feet.
3. Minimum setback of any structure from boundary of mobile home park:
 - a. Street, twenty-five (25) feet.
 - b. Interior, ten (10) feet.
4. Minimum setback from any man-made waterway, twenty (20) feet.
5. Minimum setback from mean high water mark of any natural waterway, fifty (50) feet.
6. Maximum building height shall not exceed two (2) stories or thirty-five (35) feet AGL existing in the area where building will be located.

The above-referenced requirements concern only the set back and separation requirements applicable to the Park on the delivery date of this Prospectus, and any one or more of such requirements may be subsequently modified or repealed. No continuing obligation is undertaken by the Park Owner to advise any Home Owner or resident of any subsequent modification, future adoption of additional requirements by any governmental body, or future repeal of these provisions. The above-referenced requirements may not be applicable to the Park, due to the placement of mobile homes in the Park prior to the enactment of those requirements, vested rights established under earlier ordinances, statutes, or laws, or due to subsequent judicial decisions interpreting these or other laws. The prospective Home Owner is advised to obtain further information regarding the installation of mobile homes in the Park from the appropriate permitting authority.

Maximum Number of Mobile Home Lots Using Shared Facilities. The maximum number of lots which will use the Shared Facilities (as that term is defined in this Prospectus) of the Park is 106 lots. The Park Owner reserves the right to use the Shared Facilities in conjunction with the Home Owners of the Park.

Residential Manufactured Buildings. In accordance with section 553.382, Florida Statutes, residential manufactured buildings certified by the Florida Department of Community Affairs may, after prior written approval of the park owner, be placed on a mobile home lot and shall be considered a mobile home for all purposes of Chapter 723, Florida Statutes, which purposes include all rights, obligations, and duties thereunder. Any such residential

manufactured building may, pursuant to section 723.041(4), and notwithstanding any other law or ordinance to the contrary, be sited according to the separation and setback distances, and other requirements in effect at the time of the approval of the mobile home park by the applicable local government.

IV. DESCRIPTION OF RECREATIONAL AND COMMON FACILITIES

The following is a description of the Recreational and Common Facilities which shall be used only by Residents of the Park and their family members and guests, and by the Park Owner. The Park's recreational and other common area facilities are available for the shared use of the Home Owners. These facilities will not be used in common with any other community or any other persons. All improvements to the Park as complete as of the date of filing of this Prospectus.

- a. ACCESS - All Park streets are paved and provided with illuminating lamps.
- b. PERSONAL PROPERTY - The Park Owner has no personal property available for use by the home owners.

Island Life Village reserves the right to increase or decrease the size or modify the use of any of the planned or existing shared facilities to serve the changing needs of the Park, as determined by the Park Owner, and may, in its sole discretion, replace or elect not to replace any items of personal property determined by the Park Owner to be unsuitable for continued use.

V. MANAGEMENT, OPERATION AND MAINTENANCE OF THE PARK

The management, operation and maintenance of the Park Property and the Shared Facilities shall be provided for by the Park Owner. The Park Manager will oversee the maintenance and operation of the Park; however, the Park Owner may from time to time employ such additional maintenance personnel as are deemed necessary and appropriate by the Park Owner to properly maintain the Park. The services provided by the Park as of the filing date include maintenance of the common areas and recreational facilities, the servicing of resident inquiries and requests, and the enforcement of park rules and regulations.

In general and except as expressly provided to the contrary in this prospectus, each owner of a mobile home in the Park is responsible for the maintenance of his individual lot and all improvements thereto, including, but not limited to, lawn maintenance, maintenance of utility connections, maintenance and repair of his mobile home.

VI. IMPROVEMENTS TO BE INSTALLED BY HOME OWNERS

In no event shall Home Owners whose lot rental agreements were in existence on June 4, 1984, or who assumed a lot rental agreement in existence on June 4, 1984, be required to install any improvements of any type for the duration of the Home Owner's tenancy. To the extent any

such Home Owner has not complied with any lawfully authorized requirement, the same remains effective, enforceable and applicable.

As a condition of tenancy in the Park, each home owner is responsible for providing for the installation of tie-downs and anchors for his mobile home. Mobile homes must be placed in a uniform manner, properly blocked, and all utilities connected in accordance with Monroe County Code and Management's specifications. Mobile homes must be anchored immediately, as required by all governmental regulations.

All new mobile homes entering the park must have removable hitches which shall be removed upon anchoring. The hitches on older mobile homes purchased in the park which hitches are designed to be removed, shall either be removed or enclosed by extending the skirting to the extent necessary to hide the hitch.

Home Owners must secure their street number on the front of the mobile home. All Home Owners of the park are responsible for installing a postmaster-approved mailbox.

Improvements required to be made to any mobile home brought into the Park as a replacement for a mobile home removed from the Park are as required by Park Management. A copy of those requirements applicable to the Home Owner's lot are available at the Park manager's office. Any such improvement must be approved by Park Management in writing prior to installation.

VII. UTILITIES AND OTHER SERVICES

All utilities and services to the Park and the Home Owners are supplied by the following entities as specified below:

Telephone. Telephone service is provided and billed directly to each Home Owner by Southern Bell via overhead wires. Each Home Owner is responsible for the payment of all fees and charges associated with provision of such service to his lot. The Home Owners' charge for this service is not included in the lot rental amount. The Park Owner assumes no maintenance obligations with regard to such services.

Electricity. Electric power is provided by The City Electric System (CES) via overhead wires. Individual mobile homes are metered and billed directly by CES. Each Home Owner is responsible for the payment of all fees and charges associated with the provision of such service to his lot. The Home Owner's charge for this service is not included in the lot rental amount. The Park Owner assumes no maintenance obligations with regard to such service.

Water. Potable water service is supplied by The Florida Keys Aqueduct Authority (FKAA) through a system of underground pipes. Individual mobile homes are metered and billed directly by FKAA. The Home Owners' charge for this service is not included in the lot rental amount. The Park Owner assumes no maintenance obligations with regard to such service.

Solid Waste Disposal. Solid waste disposal service (garbage and trash collection) is provided by Bland Disposal Service, Inc. The Home Owners' charge for this service is included in the lot rental amount as a separate charge and is not included in the base rent. Home owners are invoiced by the Park based on the home owner's pro rata share of the costs charged to the Park by the provider. These rates may change periodically and the rates paid by the home owner will automatically be adjusted without additional notice to the home owner to correspond to the rates charged by the service provider.

Sewage. Sewage service in the Park is provided Key West Resort Utilities, Corp. through a system of underground pipes. The Home Owner's charge for this service is included as a part of the lot rental amount as a separate charge and is not included in the base rent. Home owners are invoiced by the Park based on the home owner's pro rata share of the costs charged to the Park by the provider. These rates may change periodically and the rates paid by the home owner will automatically be adjusted without additional notice to the home owner to correspond to the rates charged by the service provider. The Park Owner is responsible for the maintenance and repair of the main sewage lines in the Park to the lateral line off the main line servicing each lot. Each Home Owner is responsible for the maintenance and repair of all lines and connections from, and including, the lateral line servicing his lot to, and including, the connection to his mobile home.

Cable Television. Cable television services are provided to the Park by overhead cable by TCI. The costs of such service is billed by the provider of the cable service. As such, each Home Owner is responsible for the payment of all fees or charges associated with such service, and such fees and charges are not included in the lot rental amount.

Storm Drainage. Storm drainage in the Park is provided via natural runoff within the Park. The Home Owners' charge for this service is included in the lot rental amount.

Gas. Gas for gas ranges and grills is available through a number of private suppliers in the Key West area. Should any Resident desire gas service, they must individually make such arrangements. The Park does not provide for gas service, and is in no way responsible for its supply, maintenance or operation.

Changes to Utilities and Other Services. The description of the utilities and other services set forth above reflects the manner in which such services are provided and charged, and the parties responsible for the maintenance of the facilities necessary to provide such services, as of the Filing Date. The Park Owner reserves the right, upon prior written notice as required by Chapter 723, Florida Statutes, to each owner of a mobile home in the Park, to discontinue the provision or maintenance of any utility or other service described above that is presently provided and/or maintained by the Park, so long as such discontinued service or utility is replaced by a comparable service or utility. In the event of such discontinuation and replacement, the Home Owners within the Park may be billed separately for utilities or services that are billed to the Park as of the Filing Date, and/or may become responsible for the maintenance of utility facilities that are the responsibility of the Park as of the filing date.

VIII. LOT RENTAL AMOUNT

THIS PROSPECTUS CONTAINS TWO RENTAL AGREEMENTS. THE SECOND FORM OF RENTAL AGREEMENT, WAS DETERMINED ADEQUATE BY THE DIVISION OF FLORIDA LAND SALES, CONDOMINIUMS AND MOBILE HOMES ON DECEMBER 28, 2007, ONLY FOR THOSE HOME OWNERS WHO CONSENT TO THE CHANGES. THE SECOND FORM OF RENTAL AGREEMENT CONTAINS PROVISIONS WHICH ARE DIFFERENT FROM THE DISCLOSURE IN THIS PROSPECTUS.

TERMS OF THE SECOND FORM OF RENTAL AGREEMENT APPLY ONLY TO THOSE HOME OWNERS WHOSE TENANCY IS GOVERNED BY THAT AGREEMENT.

The following is a description of the base rent and other fees and charges applicable to your lot.

Computation of Lot Rental Amount. The lot rental amount for each lot will be comprised of four (4) components as set forth below:

Base Rent. The lump sum amount paid by the Home Owner for the use and occupancy of the lot and use of related Park facilities, if any. Base Rent shall not include special use fees and Governmental and Utility Charges, or Pass-Through Charges.

Special Use Fees. Those separately itemized charges in addition to the Base Rent for specific services or privileges.

Governmental and Utility Charges. Those amounts, other than special use fees, which represent the Home Owner's share of costs charged to the Park Owner by any federal, state, regional or local government or utility authority including "pass through charges."

Pass-Through Charges. The Home Owner's proportionate share of the necessary and actual direct costs and impact or hookup fees for a governmentally mandated capital improvement, which may include the necessary and actual direct costs and impact or hookup fees incurred for capital improvements required for public or private regulated utilities. "Proportionate share" for calculating pass-through charges is the amount calculated by dividing equally among the affected developed lots in the park the total costs for the necessary and actual direct costs and impact or hookup fees incurred for governmentally mandated capital improvements serving the recreational and common areas and all affected developed lots in the park.

Current Level of Lot Rental Amount.

Base Rent: The base rent charged in the Park as of the date of delivery of this prospectus is \$_____. The base rent is subject to annual increases after notice from the Park Owner of such increase as required by Chapter 723, Florida Statutes.

Special Use Fees:

- a. Setup Fee -- \$_____. A fee is required for setting up the mobile home on the leased premises, and for the use of blocks which are the property of the Park.
- b. Returned Check Charge -- \$_____. All checks not accepted and honored by the Banking Institutions on the first deposit will be charged a returned check fee.
- c. Late Payment Fee -- \$_____ plus \$_____ /per day that the rental amount remains past due. (Applicable only in the event Home Owner is delinquent with a monthly rental payment. All rental payments shall be due on the first day of each month and shall be deemed to be past due if not paid by the tenth day of each month.) Emergency or hardship is taken into consideration for payment after the tenth if Home Owner gives notice to Park Management prior to the deadline date.
- d. Garbage Disposal Charge -- A garbage disposal charge of \$_____ per month.
- e. Sewage -- A sewage charge of \$_____ per month.
- f. Storm Drainage Charge -- A storm drainage charge of \$_____ per month.
- g. Additional Resident Fee -- Additional resident and/or "visitor" and/or "guest" charge of \$_____ per guest residing in the home for more than 15 consecutive days or a total of thirty days per calendar year.
- h. Lot Clean-Up Charge -- \$_____ (per man hour) In case of fire, wind or water damage to Home Owner's property, or in the event that Home Owner's lot is not kept clean and free of trash or debris, Home Owner shall be responsible for any cost of repairs, removal of debris, and clean up of lot.
- i. Lawn Maintenance fee, including mowing, edging, and trimming, in the amount of \$_____ for each required maintenance performed by the Park Owner due to the fact that Home Owner fails and/or refuses to do so.
- j. Grass Mowing Charge -- \$_____ per season.
- k. Garbage Containment Fee -- If it becomes necessary for the Park Owner to place the Home Owner's garbage in proper containers because Home Owner fails to do so, there will be an additional charge of \$_____ assessed to the Home Owner for each occurrence.
- l. Application Fee -- A new Home Owner application fee of \$_____ per application. This fee will be charged by the Park Owner as allowed by law, in qualifying a

prospective Home Owner by the Park. If this fee is determined to be an entrance fee prohibited by Section 723.041, Florida Statutes, it will be refunded.

- m. Pet Fee -- A pet fee of \$_____ per pet per month.
- n. Pest Control Fee -- A pest control fee of \$_____ per month.
- o. Skirting and/or Mobile Home Cleanup Fee -- A skirting area cleanup fee of \$_____ if Home Owner fails and/or refuses to keep the skirting area clean and free of debris or to keep the exterior of the mobile home clean.
- p. Special Service Fee -- A special service fee of \$_____ per hour, but not less than \$_____ per service call, for any repair, maintenance, or service (other than those specifically and separately mentioned herein) that is performed by the Park, but which is the responsibility of the Home Owner.
- q. Entrance Fee -- \$_____ An entrance fee is applicable to any mobile home placed in the Park. (This fee does not apply to the purchaser of a mobile home situated in the Park.)
- r. Attorney's Fees -- \$_____ (as determined by the courts). Home Owner shall pay for all reasonable attorney's fees incurred by the park as the result of any action taken by the park against the Home Owner to collect delinquent rent, enforce the rental agreement or the rules and regulations, whether suit is brought or not, and whether such fees are incurred before or at trial or on appeal. As to any such action brought to enforce the provisions of Chapter 723, Florida Statutes, in which action the Home Owner is the prevailing party, the Home Owner shall be entitled to a reasonable attorney's fee as provided by Section 723.068, Florida Statutes.
- s. Large Item Trash Removal Charge -- a minimum of \$_____ A garbage and/or trash "removal" fee for items which are not collected as part of the normal garbage or waste removal services provided in the Park (i.e. refrigerators, large appliances, etc.) if the Home Owner fails and/or refuses to remove same.
- t. Vehicle Storage Fee -- \$_____
- u. Mail Box Fee -- \$_____
- v. Speeding Fee -- \$_____
- w. Damage to Property Fee -- \$_____ Residents will be held financially responsible for damage to private or park property caused by their family or guests.
- x. Security Deposit -- \$_____.

y. Recycling Fee -- \$_____.

z. Damaged Home Removal Fee -- \$_____.

aa. Upgrading of Home Fee. \$_____ per hour for all work necessary to be performed by Park Owner to bring a mobile home brought into the Park into conformance with Park rules and regulations.

bb. Cost of Special Notices. \$_____ for actual costs incurred by the Park Owner to furnish notices to the Home Owner regarding: (1) non payment of lot rental amount; (2) non compliance with a provision of the Home Owner's lot rental agreement and/or prospectus; (3) non compliance with any park rule or regulation. Such costs include but are not limited to attorneys fees, mailing costs, secretarial time and costs of posting of notices.

cc. Rule Violation Fee. \$_____ per rule violation. Each day a violation continues constitutes a separate violation.

dd. Insurance fee. \$_____. Home Owner is required to obtain an insurance policy or policies of comprehensive liability, fire, windstorm and flood insurance insuring Park Owner and Home Owner against perils arising out of the ownership, use, occupancy or maintenance of the mobile home lot and all areas appurtenant thereto including the coverage for the removal of the mobile home after a fire, windstorm, flood or Act of God. If Home Owner fails to procure and maintain said insurance, Park Owner may, but shall not be required to, procure and maintain same and charge Home Owner for the expense of the policy or policies.

Governmental and Utility Charges. These charges will be charged to Home Owner(s) on a pro rata basis, or if the government agency or the utility provides for the billing of such charges on a per lot, metered, or other than pro rata basis, then such charges shall be charged to the Home Owner in that fashion. The governmental and utility charges which may currently be charged to Home Owner(s) are as follows:

a. Sewer charges or increases in same for usage of sewer service in common areas;

b. Waste disposal charges or increases in same;

c. "Taxes", which term includes ad valorem taxes and special or non-ad valorem assessments levied upon or assessed against the park by any unit of government. If the method of property taxation prevailing as of the delivery date is changed so that taxes now levied or assessed on Park property are replaced partially or completely by a tax levied or assessed upon the Park Owner as a capital levy or otherwise or on or measured by lot rental amounts received by the Park Owner from the Park, or by any assessment other than any ad valorem tax, then such new or altered taxes shall be deemed included within the definition of "taxes";

d. "Pass-through charges" including the home owner's proportionate share of the necessary and actual direct costs and impact or hook up fees for a governmentally mandated capital improvement, which may include the necessary and actual direct costs and impact or hook up fees incurred for capital improvements required for public or private regulated utilities. "Proportionate share" for calculating pass-through charges is the amount calculated by dividing equally among the affected developed lots in the park the total costs for the necessary and actual direct costs and impact or hookup fees incurred for governmentally mandated capital improvements serving the recreational and common areas and all affected developed lots in the park.

e. Expenses created and charged to the Park Owner by any federal, state, regional or local governmental entity or utility company, including annual filing fee(s) and the Prospectus filing fee(s) as is required by Chapter 723, Florida Statutes, and any other non ad valorem assessments;

f. Special assessments or charges by any federal, state, regional or local government or utility company;

g. Replacement utility charges charged to the Park Owner or to the Home Owner's lot by any federal, state, regional or local governmental entity or utility company for service of a type or nature not available on the delivery date in replacement or substitution, in whole or in part, of any utility or other service that is provided or is available to Park Home Owners on the delivery date;

h. New utility charges charged the Park Owner by any federal, state, regional or local governmental entity or utility company that become available for the beneficial use and enjoyment of the Park residents after the delivery date;

i. Any presently unknown governmental or utility charges, as defined above, which are charged to the Park Owner in the future by any federal, state, regional or local government or utility company may be charged to Home Owner(s) in accordance with law.

j. Non-ad valorem assessments.

k. Costs (including interest based on Park Owner's then cost of borrowing) incurred by the Park Owner as a result of actions taken by federal, state, regional or local governmental entities or utility companies but not directly billed to the Park Owner by said federal, state, regional or local governmental entity or utility company. The Park Owner may recapture these types of costs by charging a lump sum assessment to the Home Owners, at the end of the term of the Park's yearly Lot Rental Agreement (Lease). These types of charges shall be charged to Home Owner(s) after providing advanced written notice as required by Chapter 723, Florida Statutes, to the Home Owner(s) on a pro rata basis as defined above and shall be limited to the amount of the increased costs or charges incurred by the Park Owner and any maintenance and administrative costs as permitted by Section 723.045, Florida Statutes, if applicable.

Certain of the above-mentioned government and utility charges and costs which are billed by either the federal, state, regional or local governmental entities or utility companies may be charged to the Home Owners after providing notice as required by Chapter 723, Florida Statutes, at any time during the lease term. The amount of an increase in these charges shall be limited to the increased costs or charges billed to the Park Owner by the federal, state, regional or local governmental agency or utility company plus any maintenance and administrative costs relating to same as is permitted by Section 723.045, Florida Statutes.

The dollar amounts set out above represent only the amount charged for each rental category on the Delivery Date. As disclosed in this Prospectus, such amounts are subject to increase. Wherever "0" appears above a blank for the amount charged for any rental category described above, it means that charges for that rental category are not imposed by the Park Owner on the Delivery Date. The amount of those charges may be increased as described in this Prospectus. In addition, nothing in this Prospectus shall be deemed a waiver of the Park Owner's right to collect from the Home Owner any damages that the Park Owner may sustain as a result of or in connection with a tortious act, neglect or breach of lease by the Home Owner or anyone permitted to be on Park property by the Home Owner.

The Park Owner reserves the right to increase the lot rental amount in an amount established by the Park Owner and in the manner as set out in the Park's Prospectus after providing advanced written notice to all affected Home Owners of such increase(s) as required by Chapter 723, Florida Statutes.

Increases in Lot Rental Amount

1. The lot rental amount includes all financial obligations, except user fees, which are required as a condition of Home Owner's tenancy. Each of the categories of charges currently or hereafter comprising a part of the lot rental amount, as set forth above, are subject to periodic increases by the Park Owner. However, except for increases resulting from the imposition of certain government and utility charges and from pass-through charges, the lot rental amount will not be increased more frequently than annually.

2. Factors influencing the level of increase in base rent and special use fees include increased operational costs, and the prevailing market and economic conditions at the time notice of such increase is furnished by the Park Owner and also the cost incurred as a result of actions by any governmental unit or utility or utility companies. An increase in one or more of these factors may result in an increase in the Home Owner's base rent, other charges, or in both. In setting lot rental amounts for any particular year, the Park Owner may rely upon any one or more of these factors, to the exclusion of any other factors, based exclusively on the Park Owner's business judgment.

a. Any increases in the cost of operations including costs, charges, and expenses of every kind and nature paid or incurred by the Park Owner in operating, managing, repairing, maintaining, and administering the Park including the following:

- (1) The cost of all insurance carried by the Park Owner with respect to the park, including all fire and extended coverage and liability policies, car and theft coverage, fidelity bonds and any other insurance;
- (2) The cost for repairs, maintenance, and replacements;
- (3) Office expenses including but not limited to telephone, office supplies, salaries, and other compensation, accounting and auditing fees;
- (4) The cost of janitorial, security, cleaning, and pest control services;
- (5) The cost of redecoration, renovating, and landscaping the common areas in the park, and of striping, patching, and repaving any roadways, vehicular parking areas or storage areas in the park;
- (6) All costs, fees and expense associated with the Park Owner staying current and in compliance with all applicable federal, state, or local laws, ordinances or regulations, including but not limited to attorneys' fees, legal fees, court costs, investigating costs and the like;
- (7) The cost of all utilities (including, without limitation, water sewer, and electricity) used or consumed in the park, unless otherwise charged directly to Resident as provided in this prospectus, and except any of such utilities that are separately metered or billed to the Home Owner;
- (8) The cost of providing heating, ventilating, and air conditioning services to any recreational building or other common area or facility in the Park;
- (9) Salaries and other remuneration and compensation paid to persons of firms engaging in operating, managing, repairing, maintaining, or administering the park, including but not limited to automobile and truck expenses;
- (10) Management fees and expenses paid in connection with the operation and management of the park, including any such fees paid to the Park Owner or any affiliate of the Park Owner, travel expenses, dues and fees for any industry organization, subscriptions, and advertising, educational fees, seminars, tuition, travel and lodging;
- (11) If not otherwise collected as a Governmental and Utility Charge, the cost of capital improvements and repairs made in order to conform to the requirements of any law, ordinance or other government requirement applicable to the park, the cost of any such capital improvement or repair shall include interest based on Park Owner's then cost of borrowing.

(12) All attorneys fees, court costs, investigation costs and other costs and expenses including supplies not otherwise expressly excluded hereunder, attributable to the operation, management, repair, maintenance, or administration of the Park;

(13) All costs, fees and charges including interest associated with borrowing money to pay any of the fees, costs, expenses and charges described in this prospectus section entitled "Lot Rental Amount."

b. Prevailing market conditions are established based on those base rents and other charges imposed in comparable parks, or base rents and other charges willingly paid by new Home Owners of this park. For this purpose, a park will be deemed comparable if it is located in the general competitive region of this park, and offers similar densities, amenities and services.

c. Prevailing Economic Conditions refer to those factors which bear on the economic viability of a real estate investment and which would be considered by a prudent businessman in establishing the base rent and other charges for any increase in the amount thereof. These factors include:

(1) the cost attendant to the replacement of this park in the economic environment existing at the time of any rental increase, including land and acquisition costs, construction costs, and losses associated with the operation of a park prior to full occupancy, and the level at which the lot rental must be established in order that the Park Owner will realize a reasonable return on the costs referred to in this clause (1);

(2) the levels of interest rates and other financing charges associated with construction, interim and permanent;

(3) the availability of alternative forms of real estate investments which, absent the rental increase in question, might reasonably be expected to yield a greater return on investment capital;

(4) the levels of the Consumer Price Index, defined as the United States Department of Labor, Consumer Price Index, U. S. City Average - All Urban Consumers, 1982-1984 = 100, or in the event of the discontinuation of publication of the Consumer Price Index, then an alternative index which has been reasonably related to the Consumer Price Index in evaluating economic conditions, and which has been, or can reasonably be expected to be, generally accepted as a replacement index for the Consumer Price Index;

(5) the level at which the lot rental amount must be established in order that the Park Owner will realize a reasonable return on the "owners equity"; for this purpose the "owners equity" refers to the fair market value of the park from time to time, less existing mortgage indebtedness;

(6) other economic factors which might reasonably be expected to affect either the value of the park, the rate of return available to the Park Owner at the existing level of lot rental amount, the present value of the real estate investment and the rate of return of that investment in the current economic conditions, and which would be required in the park in order to realize a rate of return similar to other at risk real estate ventures from the then current value of the park.

3. Factors Affecting Governmental and Utility Charges. That portion of the lot rental amount which is composed of Governmental and Utility Charges, if any, shall be affected by changes in the rates charged for the provision of such services and taxes by any federal, state, regional or local government or utility authority. An increase in such rates may result in an increase in Governmental and Utility Charges. The costs charged to the Park Owner by a federal, state, regional or local government or utility authority for such services and taxes, if any, shall be allocated on a pro rata basis among the occupied lots or by such other means as are established by the acts of government. The amount of increase in Governmental and Utility Charges shall be limited to the new or increased cost charged to the Park Owner plus any maintenance and administrative costs relating to same as permitted by Section 723.045, Florida Statutes.

4. Factors Affecting Pass-Through Charges. The Home Owner will be responsible for payment of pass-through charges defined as the home owner's proportionate share of the necessary and actual direct costs and impact or hookup fees for a governmentally mandated capital improvement, which may include the necessary and actual direct costs and impact or hookup fees incurred for capital improvements required for public or private regulated utilities. "Proportionate share" for calculating pass-through charges is the amount calculated by dividing equally among the affected developed lots in the park the total costs for the necessary and actual direct costs and impact or hookup fees incurred for governmentally mandated capital improvements serving the recreational and common areas and all affected developed lots in the park. Those items defined as pass-through charges may be passed on to the Home Owner more often than annually, however, the Park Owner reserves the right to recoup those costs in the form of future rent increases or other charges, rather than as pass-through charges.

Additional Considerations

In the event a resident elects not to sign a written lot rental agreement, that resident shall nonetheless be subject to all of the terms and conditions set forth in those written rental agreements otherwise offered to residents by management except that the base rent charged to that resident shall be the base rent for the homesite as established by management, said rate to be effective for a period not to exceed 12 months, commencing with the resident's occupancy of the homesite, unless otherwise agreed upon.

The reasons for the increase in lot rental amount or other fees and charges will be set forth in the notice of increase. Only those factors set forth in the notice will be relied upon by the Park Owner as justification for the rent increase.

The Park Owner reserves the right to amend this Prospectus or any Exhibit thereto from time to time to the extent permitted by law to conform with changes in relevant statutory provisions or changes in relevant rules of the Department of Business and Professional Regulation, or any other agency having jurisdiction over the operation of this mobile home park.

Each lease term under this prospectus is independent of any other such lease term. Failure of the Park Owner to implement the full amount of an increase in lot rental amount as allowed by law and this prospectus during any lease term shall not preclude the Park Owner from increasing the lot rental amount at a later time to recoup the difference.

Home Owners assuming the remaining portion of the unexpired term of the seller's lease, as authorized pursuant to Section 723.059(3), Florida Statutes, are hereby notified that upon the expiration of the unexpired term of the seller's lease, the Park Owner expressly reserves the right to increase the lot rental amount applicable to the new Home Owner as permitted by law.

Insurance. Home Owner shall at his expense, obtain and keep in force during the term of his Lot Rental Agreement a policy or policies of comprehensive liability, fire, windstorm and flood insurance insuring Park Owner and Home Owner against perils arising out of the ownership, use, occupancy or maintenance of the mobile home lot and all areas appurtenant thereto. This shall also include the coverage for the removal of the mobile home after a fire, windstorm, flood or Act of God. The limit of said insurance shall not limit the liability of Home Owner hereunder. Home Owner may carry said insurance under a blanket policy, providing however, said insurance by Home Owner shall have a Park Owner's protective liability endorsement attached thereto. If Home Owner fails to procure and maintain said insurance, Park Owner may, but shall not be required to procure and maintain same. Any such insurance obtained by the Park Owner shall be at the expense of the Home Owner. Insurance required hereunder shall be in companies rated A+, AAA or better in "Best Insurance Guide." Prior to occupancy of premises, Home Owner shall deliver to Park Owner copies of policies required herein or certificates evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to Park Owner. No policy shall be canceled or subject to reduction of coverage except after ten days prior written notice to Park Owner. At the request of Park Owner at anytime during the tenancy, Home Owner shall provide a copy of the aforementioned policies.

Indemnification and Liability of Park Owner. Park Owner shall not be liable for any loss, injury, death, or damage to persons or property which may be suffered by Home Owner or by any person whosoever may be using, occupying or visiting the premises, whether such loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of the Home Owner or of any occupant, subtenant, visitor, or user of any portion of the premises, or shall result from or be caused by any other matter whether of the same kind as or of a different kind than the matters above set forth, and the Home Owner shall indemnify the Park Owner against all claims, liability, loss, or damage whatsoever as described herein including but not limited to costs, counsel and investigation fees, expenses and liabilities. Home Owner shall be given notice in writing that the same are about to be incurred, and shall have the option itself to make necessary investigation and employ counsel of Home Owners own

selection, but satisfactory to the Park Owner, for the necessary defense of any claim. Home Owner shall look solely to the ownership of the Park Owner in the demised premises and land directly thereunder, for the collection of any judgment or other judicial process requiring the payment of money by Park Owner or performance of an act in the event of any default or breach by Park Owner with respect to any of the terms, covenants and conditions of this agreement to be observed or performed by Park Owner and no other property or assets of Park Owner shall be subject to levy, execution or other enforcement procedure for the satisfaction of Home Owner's remedies in the event of a violation by Park Owner of any of the provisions of this prospectus, the Park's rules and regulations or lot rental agreement.

Security. Park Owner shall not be obligated to provide any type of security nor to guarantee the safety or security in or about the premises or the mobile home for Home Owner, its guests, contractors, concessionaires, trespassers, agents, lessees or invitee. If Park Owner is made a party to any litigation commenced as a result of Home Owner's alleged failure to provide security for Home Owner or any related party, then Home Owner shall protect and hold Park Owner harmless and shall pay all costs, expenses and attorney's fees incurred or paid by Park Owner in connection with such litigation, including all appeals therefrom.

IX. USER FEES

The Home Owner may at some time in the future be offered services by the Park Owner for which user fees will be charged. The user fees will only be charged to those Home Owners who desire to use the services provided. The user fees and charges are not related to the rental amount. User fees are currently charged by the Park Owner for: None at the present time.

X. PARK RULES AND REGULATIONS

Park Rules and Regulations currently in effect governing the Residents' behavior, guest procedures, etc. are contained in "Exhibit C" attached hereto and incorporated herein by reference.

Changes in Rules and Regulations. The Rules and Regulations may be changed, or new Rules and Regulations may be adopted, at the discretion of the Park Owner. The Park Owner will make such changes in the Rules and Regulations as the Park Owner deems to be in the best interest of the safety, security, and aesthetic quality of the Park and the residents. Notwithstanding the foregoing, the Park Owner shall give all Home Owners prior written notice, as required by Chapter 723, Florida Statutes, of any change in the Rules and Regulations or adoption of new Rules and Regulations.

XI. ZONING AND LAND USE OF THE PARK

Current Zoning Classification. The Park is currently zoned RU-3 in accordance with the zoning ordinance of Monroe County, Florida. Such zoning classification permits the land comprising the Park to be used for mobile home placement.

Zoning Authority. The governmental authority having jurisdiction over the Park Property with regard to zoning is Monroe County, Florida.

Park Owner's Future Plans Regarding Development of the Park. The Park Owner has no definite future plans for changes in the use of the land comprising the Park. The Park Owner reserves the right to do so, however, subject to the provisions of Chapter 723, Florida Statutes.

XII. AMENDMENTS

The park owner reserves the right to amend this prospectus or any exhibit thereto from time to time as permitted by law, or rules and regulations of the Department of Business and Professional Regulation or other governmental entity.

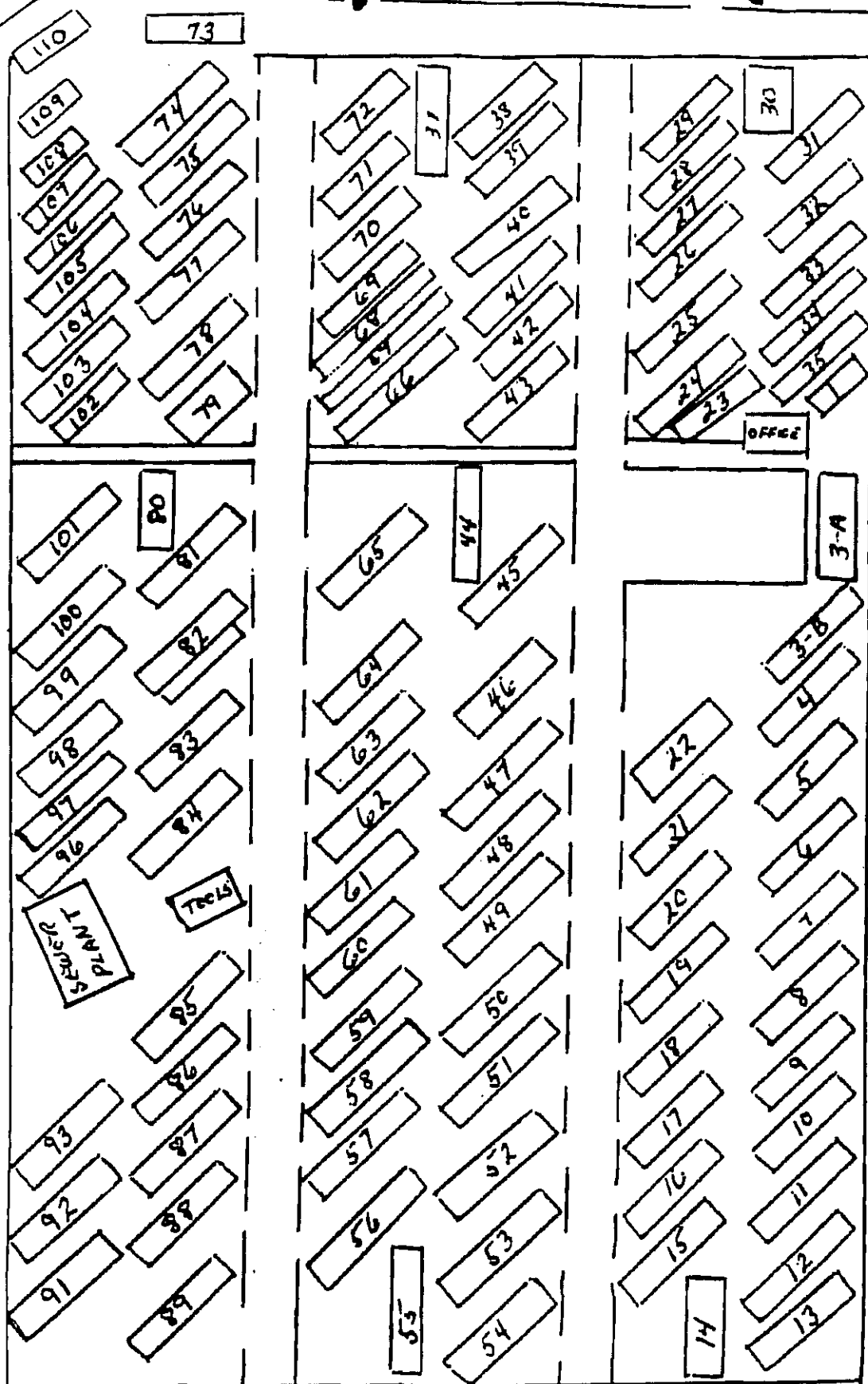
This prospectus was determined adequate to meet the requirements of Chapter 723, Florida Statutes, by the Florida Department of Business & Professional Regulation, Division of Land Sales, Condominiums and Mobile Homes on this 23rd day of December, 1996.

Prospectus #PRMZ000513-P3093

The lot to which this prospectus applies is lot #_____.

As subsequently amended and approved by the Florida Department of Business & Professional Regulation, Division of Florida Land Sales, Condominiums and Mobile Homes on March 17, 2008.

EXHIBIT "A"
PARK SITE PLAN



ROY'S TRAILER PARK
 OFFICE LOT #2
 8500 MALONEY AVE.
 KEY WEST, FL 33040
 (305) 296-3255

EXHIBIT "B"

LOT RENTAL AGREEMENT

**ISLAND LIFE VILLAGE
LOT RENTAL AGREEMENT**

This Lot Rental Agreement between Island Life Village (the "Park Owner") and _____ (the "Home Owner") shall be effective on _____, _____, and shall remain in effect until December 31, _____, unless terminated earlier as provided in this Agreement.

The purpose of this Agreement is to describe the unique relationship that exists between two property owners: the Park Owner, the entity which owns the real estate and common area improvements at Island Life Village, and the Home Owner, who owns a home located in the Park.

MAKE _____ YEAR _____ SIZE _____ VIN _____
REGISTERED OWNER _____

1ST LIENHOLDER: NAME _____;
ADDRESS _____; PHONE _____

2ND LIENHOLDER: NAME _____;
ADDRESS _____; PHONE _____

This Lot Rental Agreement allows the Home Owner to use the space known as _____ for the placement of his or her home and allows the Home Owner the use of common area facilities at Island Life Village subject to lawfully established rules and regulations. Nothing in this Agreement gives the Home Owner a property interest in any part of the Park Owner's real estate; nothing in this Agreement gives the Park Owner any property interest in the Home Owner's home.

A. OCCUPANCY The following individuals shall be the "initial residents" for purposes of this Lot Rental Agreement and may occupy the above-specified space. Occupancy of the space by any person(s) other those whose stay with Home Owner does not exceed 15 consecutive days or 30 total days per year, with written approval of Park Management, shall be considered a material default of this Lot Rental Agreement:

Name

Date of birth

Name

Date of birth

No other persons may occupy Resident's home without written permission from Park Management.

B. LOT RENTAL AMOUNT

1. **BASE RENT.** In consideration for the use of common area facilities and for the use of a place to locate a home, the Home Owner shall pay to the Park Owner in advance on the first day of every month a base rent of \$_____ without any deduction or offset. Home Owner must pay by check, cashier's check, or money order. Park Owner reserves the right to refuse a personal check.

2. **OTHER FEES AND CHARGES.** Home Owner may also be assessed the following fees and charges:

Special Use Fees:

- a. Setup Fee -- \$_____. A fee is required for setting up the mobile home on the leased premises, and for the use of blocks which are the property of the Park.
- b. Returned Check Charge -- \$_____. All checks not accepted and honored by the Banking Institutions on the first deposit will be charged a returned check fee.
- c. Late Payment Fee -- \$_____ plus \$_____/per day that the rental amount remains past due. (Applicable only in the event Home Owner is delinquent with a monthly rental payment. All rental payments shall be due on the first day of each month and shall be deemed to be past due if not paid by the tenth day of each month.) Emergency or hardship is taken into consideration for payment after the tenth if Home Owner gives notice to Park Management prior to the deadline date.
- d. Garbage Disposal Charge -- A garbage disposal charge of \$_____ per month.
- e. Sewage -- A sewage charge of \$_____ per month.
- f. Storm Drainage Charge -- A storm drainage charge of \$_____ per month.
- g. Additional Resident Fee -- Additional resident and/or "visitor" and/or "guest" charge of \$_____ per guest residing in the home for more than 15 consecutive days or a total of thirty days per calendar year.
- h. Lot Clean-Up Charge -- \$_____ (per man hour) In case of fire, wind or water damage to Home Owner's property, or in the event that Home Owner's lot is not kept clean and free of trash or debris, Home Owner shall be responsible for any cost of repairs, removal of debris, and clean up of lot.
- i. Lawn Maintenance fee, including mowing, edging, and trimming, in the

amount of \$_____ for each required maintenance performed by the Park Owner due to the fact that Home Owner fails and/or refuses to do so.

j. Grass Mowing Charge -- \$_____ per season.

k. Garbage Containment Fee -- If it becomes necessary for the Park Owner to place the Home Owner's garbage in proper containers because Home Owner fails to do so, there will be an additional charge of \$_____ assessed to the Home Owner for each occurrence.

l. Application Fee -- A new Home Owner application fee of \$_____ per application. This fee will be charged by the Park Owner as allowed by law, in qualifying a prospective Home Owner by the Park. If this fee is determined to be an entrance fee prohibited by Section 723.041, Florida Statutes, it will be refunded.

m. Pet Fee -- A pet fee of \$_____ per pet per month.

n. Pest Control Fee -- A pest control fee of \$_____ per month.

o. Skirting and/or Mobile Home Cleanup Fee -- A skirting area cleanup fee of \$_____ if Home Owner fails and/or refuses to keep the skirting area clean and free of debris or to keep the exterior of the mobile home clean.

p. Special Service Fee -- A special service fee of \$_____ per hour, but not less than \$_____ per service call, for any repair, maintenance, or service (other than those specifically and separately mentioned herein) that is performed by the Park, but which is the responsibility of the Home Owner.

q. Entrance Fee -- \$_____ An entrance fee is applicable to any mobile home placed in the Park. (This fee does not apply to the purchaser of a mobile home situated in the Park.)

r. Attorney's Fees -- \$_____ (as determined by the courts). Home Owner shall pay for all reasonable attorney's fees incurred by the park as the result of any action taken by the park against the Home Owner to collect delinquent rent, enforce the rental agreement or the rules and regulations, whether suit is brought or not, and whether such fees are incurred before or at trial or on appeal. As to any such action brought to enforce the provisions of Chapter 723, Florida Statutes, in which action the Home Owner is the prevailing party, the Home Owner shall be entitled to a reasonable attorney's fee as provided by Section 723.068, Florida Statutes.

s. Large Item Trash Removal Charge -- a minimum of \$_____ A garbage and/or trash "removal" fee for items which are not collected as part of the normal garbage or waste removal services provided in the Park (i.e. refrigerators, large appliances, etc.) if the Home Owner fails and/or refuses to remove same.

t. Vehicle Storage Fee -- \$_____

- u. Mail Box Fee -- \$_____
- v. Speeding Fee -- \$_____
- w. Damage to Property Fee -- \$_____ Residents will be held financially responsible for damage to private or park property caused by their family or guests.
- x. Security Deposit -- \$_____.
- y. Recycling Fee -- \$_____.
- z. Damaged Home Removal Fee -- \$_____.
- aa. Upgrading of Home Fee. \$_____ per hour for all work necessary to be performed by Park Owner to bring a mobile home brought into the Park into conformance with Park rules and regulations.
- bb. Cost of Special Notices. \$_____ for actual costs incurred by the Park Owner to furnish notices to the Home Owner regarding: (1) non payment of lot rental amount; (2) non compliance with a provision of the Home Owner's lot rental agreement and/or prospectus; (3) non compliance with any park rule or regulation. Such costs include but are not limited to attorneys fees, mailing costs, secretarial time and costs of posting of notices.
- cc. Rule Violation Fee. \$_____ per rule violation. Each day a violation continues constitutes a separate violation.
- dd. Insurance fee. \$_____. Home Owner is required to obtain an insurance policy or policies of comprehensive liability, fire, windstorm and flood insurance insuring Park Owner and Home Owner against perils arising out of the ownership, use, occupancy or maintenance of the mobile home lot and all areas appurtenant thereto including the coverage for the removal of the mobile home after a fire, windstorm, flood or Act of God. If Home Owner fails to procure and maintain said insurance, Park Owner may, but shall not be required to, procure and maintain same and charge Home Owner for the expense of the policy or policies.

Governmental and Utility Charges. These charges will be charged to the Home Owner(s) on a pro rata basis or on such other bases as may be implemented by the governmental authority imposing such charges. ("Pro rata basis" means that percentage derived by dividing the number of mobile home spaces leased by a resident by the total number of occupied mobile home spaces in the Park.) The governmental and utility charges which may currently be charged to the Home Owner(s) are as follows:

a. Sewer charges or increases in same for usage of sewer service in common areas;

b. Waste disposal charges or increases in same;

c. "Taxes", which term includes ad valorem taxes and special or non-ad valorem assessments levied upon or assessed against the park by any unit of government. If the method of property taxation prevailing on the delivery date of this Prospectus is changed so that taxes now levied or assessed on Park property are replaced partially or completely by a tax levied or assessed upon the Park Owner as a capital levy or otherwise or on or measured by lot rental amounts received by the Park Owner from the Park, or by any assessment other than any ad valorem tax, then such new or altered taxes shall be deemed included within the definition of "taxes";

d. "Pass-through charges" including the home owner's proportionate share of the necessary and actual direct costs and impact or hook up fees for a governmentally mandated capital improvement, which may include the necessary and actual direct costs and impact or hook up fees incurred for capital improvements required for public or private regulated utilities. "Proportionate share" for calculating pass-through charges is the amount calculated by dividing equally among the affected developed lots in the park the total costs for the necessary and actual direct costs and impact or hookup fees incurred for governmentally mandated capital improvements serving the recreational and common areas and all affected developed lots in the park.

e. Expenses created and charged to the Park Owner by any federal, state, regional or local governmental entity or utility company, including annual filing fee(s) and the Prospectus filing fee(s) as is required by Chapter 723, Florida Statutes, and any other non ad valorem assessments;

f. Special assessments or charges by any federal, state, regional or local government entity or utility company;

g. Replacement utility charges charged to the Park Owner or to the Home Owner's lot by any federal, state, regional or local governmental entity or utility company for service of a type or nature not available on the delivery date of this Prospectus in replacement or substitution, in whole or in part, of any utility or other service that is provided or is available to Park Home Owners on the delivery date;

h. New utility charges charged the Park Owner by any federal, state, regional or local governmental entity or utility company that become available for the beneficial use and enjoyment of the Park residents after the delivery date of this Prospectus;

i. Any presently unknown governmental or utility charges, as defined above, which are charged to the Park Owner in the future by any federal, state, regional or local government or utility company may be charged to Home Owner(s) in accordance with law.

j. Non-ad valorem assessments.

k. Costs (including interest based on Park Owner's then cost of borrowing) incurred by the Park Owner as a result of actions taken by federal, state, regional or local governmental entities or utility companies but not directly billed to the Park Owner by said federal, state, regional or local governmental entity or utility company. The Park Owner may recapture these types of costs by charging a lump sum assessment to the Home Owners, at the end of the term of the Park's yearly Lot Rental Agreement (Lease). These types of charges shall be charged to Home Owner(s) after providing notice as required by Chapter 723, Florida Statutes, to the Home Owner(s) on a pro rata basis as defined above and shall be limited to the amount of the increased costs or charges incurred by the Park Owner and any maintenance and administrative costs as permitted by Section 723.045, Florida Statutes, if applicable.

Certain of the above-mentioned government and utility charges and costs which are billed by either the federal, state, regional or local governmental entities or utility companies may be charged to the Home Owners after providing notice as required by Chapter 723, Florida Statutes, to all Home Owners at any time during the lease term. The amount of an increase in these charges shall be limited to the increased costs or charges billed to the Park Owner by the federal, state, regional or local governmental agency or utility company plus any maintenance and administrative costs relating to same as is permitted by Section 723.045, Florida Statutes.

In addition to paying the above-listed payments when due, the Home Owner is also required to pay, upon written notice as prescribed by Chapter 723, Florida Statutes, a pro rata portion of all ad valorem and non-ad valorem assessments and any other governmental and utility charges (including but not limited to filing fees and annual fees charged by the Florida Division of Land Sales Condominiums and Mobile Homes) and a pro rata portion of increases in property taxes, and the costs of utilities, insurance and services including waste disposal paid by the Park Owner. In those instances where the utilities or any of them are owned or operated by the Park Owner, there shall be included in the determination of utility cost increases all related out-of-pocket costs including, without limitation, the cost of maintaining or operating the utility plant, repairs, capital improvements, and meeting governmental requirements. The Home Owner will also be required to pay, over a reasonable period of time to be established by the Park Owner, a pro rata portion of the costs of capital improvements or alterations and a pro rata portion of the costs and fees associated with hooking up to a private or public utility company if the Park Owner should discontinue operating any utility it now operates. The Home Owner shall also be responsible for payment of costs (including interest based on Park Owner's then cost of borrowing) incurred by the Park Owner as a result of actions taken by federal, state regional or local governmental entities or utility companies but not directly billed to the Park Owner by said federal, state, regional or local governmental entity or utility company. The Park Owner may recapture these types of costs by charging lump sum assessment to the Home Owners, at the end of the term of the Lot Rental Agreement (Lease). These types of charges shall be charged to Home Owner(s) after providing advanced written notice as prescribed by Chapter 723, Florida Statutes, to the Home Owner(s) on a pro rata basis as defined above and shall be limited to the exact amount of the increased costs or charges incurred by the Park Owner and any maintenance

and administrative costs as permitted by Section 723.045, Florida Statutes, if applicable.

The provisions of this Paragraph A. shall apply to all renewals of the Lot Rental Agreement pursuant to the Provisions of Paragraph B. hereof.

C. RENEWAL. Upon the expiration of the annual term of this Lot Rental Agreement, Home Owner shall be offered a new Lot Rental Agreement for a term not to exceed 12 months and subject to increases in lot rental amount or other charges based on the market rate, or based on increases otherwise determined as set forth in the prospectus delivered to Home Owner, provided that Home Owner has not breached any of the terms, covenants, or conditions of this Lot Rental Agreement, the prospectus, the Rules and Regulations or Chapter 723, Florida Statutes.

D. SERVICES PROVIDED BY THE PARK OWNER. At the time of execution of this Lot Rental Agreement, the following services are provided by the Park Owner as part of the base rent portion of lot rental amount: maintenance of the Park's common areas and street lights and use of the Park facilities, electric power for the street lights and common facilities (but not to each individual mobile home in the Park), and storm drainage. Sewer service and solid waste disposal service (garbage and trash collection) are included in the lot rental amount as a separate charge and are not included in the base rent.

E. TERMINATION. Park Owner may terminate this Agreement upon the Home Owner's failure to comply with this Agreement or the Rules and Regulations, subject to the termination provisions of Chapter 723, Florida Statutes. This Agreement may be terminated only as permitted by applicable Florida law. Home Owner's removal or notification of his intent to move his mobile home from the Park prior to the expiration of this Lot Rental Agreement shall result in the acceleration of all payments due hereunder for the balance of the current term. All such payments shall thereafter be due and payable immediately.

F. CONDEMNATION. Condemnation of the space which is the subject of this Agreement or of all or a substantial portion of Island Life Village shall be sufficient grounds for the unilateral termination of this Agreement by Park Owner; however, in such event, Park Owner shall notify the Home Owner in writing as required by law. No award for any partial or entire condemnation of the Park shall be apportioned, and the Home Owner hereby renounces any interest in any award resulting from a condemnation of all or part of the real property, improvements and business at Island Life Village. Park Owner renounces any interest in any relocation award or personal property compensation made to the Home Owner in connection with the condemnation or forced relocation of the Home Owner's home and its appurtenances by a government body, unless the Home Owner makes a claim against Park Owner for a relocation award or property compensation in connection with the displacement.

G. RULES AND REGULATIONS. The Home Owner agrees to abide by and conform to all applicable Rules and Regulations adopted by Park Owner and implemented in compliance with state law. THE HOME OWNER ACKNOWLEDGES THAT HE HAS READ, UNDERSTANDS, AND AGREES TO ABIDE BY THE RULES AND REGULATIONS PRIOR TO SIGNING THIS AGREEMENT. Park Owner may, at its discretion and in conformity with the law, amend the Rules and Regulations from time to time but shall specify

the date of implementation of each such amendment, which date shall not be less than ninety (90) days after written notice to all affected residents in the Roy's Trailer Park and to the board of directors of the Home Owners' association, or such shorter period as may be allowed by law.

H. HOME OWNER CONDUCT AND OTHER GENERAL OBLIGATIONS.

Home Owner agrees that he and all occupants of his mobile home shall at all times conduct themselves with due regard for the personal and property rights of the other home owners of the Park and will refrain from doing or causing to be done any act or thing that would create a nuisance, which term shall include obstruction or interference with the person and property rights of other occupants of the park or with the orderly and efficient operation of the Park. Home Owner further agrees that the said occupants of his mobile home will keep and maintain the demised premises in good repair, comply with all municipal, county, state or federal laws, regulations or ordinances now or hereafter applicable, and upon termination of this Lot Rental agreement, surrender the demised premises to the Park Owner in good order and condition.

I. DAMAGE OF HOME. If the Home Owner's home or other improvement is destroyed or so damaged by fire or other cause as to be wholly or partially unfit for occupancy or use, the Home Owner shall continue to make all payments called for by the terms of this Agreement. However, the Home Owner shall make the home or other improvement fit for occupancy or use and make it conform to the Rules and Regulations, or replace it, within sixty days of such destruction or damage. If the home or other improvement is destroyed or irreparably damaged, then it shall be removed promptly by the Home Owner at his or her own expense. If the Home Owner fails to so remove it, Park Owner may, with notice, remove it and charge the Home Owner for the cost, which sum shall be due and payable immediately.

J. FIXTURES. All structures, including fences, embedded in the ground, blacktop or concrete, shall be maintained in good repair and attractive condition by the Home Owner. If such items are damaged or removed by the Home Owner, then the Home Owner shall repair any damage caused as a result.

K. ATTORNEY'S FEES AND COURT COSTS. In the event that it shall become necessary for the Park Owner to employ the services of an attorney to enforce any of its rights under this Prospectus or to collect any sums due to him under the Lot Rental Agreement or to remedy the breach of any covenant of the Rules and Regulations, regardless of whether suit be brought, the Mobile Home Owner shall pay to the Park Owner such reasonable fees as shall be charged by the Park Owner's attorney for such services. Should suit be brought, by reason of any dispute under this Prospectus, the Lot Rental Agreement or the Rules and Regulations, the prevailing party shall be entitled to recover from the other party all expenses of such suit and any appeal thereof, including a reasonable attorney's fee.

L. SUCCESSORS TO PARK OWNER. If Park Owner should sell its property at Island Life Village and assign its rights and obligations under this Agreement to the new park owner, the Home Owner shall honor such an assignment by recognizing the new park owner in Park Owner's place and by releasing Park Owner from all further obligation under this Agreement. The Home Owner shall and hereby does subordinate its interests, to the extent any

interests exist under this Agreement, to Park Owner's successors and to lenders who may be granted a security interest in Park Owner's property. The Home Owner empowers Park Owner and its successors as attorney-in-fact to execute all instruments necessary to accomplish such subordination.

M. ASSIGNMENT AND SUBLETTING. The Home Owner shall not assign this Lot Rental Agreement, or any interest therein, and shall not sublet the leased premises to occupy or use the leased premises without the specific written consent of Park Owner. Any assignment or subletting without Park Owner's consent shall be void, and shall constitute a default by Home Owner under this Lot Rental Agreement.

N. SUCCESSORS TO THE HOME OWNER. Upon Park Owner's prior approval of the buyer, which approval shall not be unreasonably withheld, the balance of the term of this Agreement may be assumed by a person who purchases the Home Owner's home. At the end of the assumed term, the buyer will be offered a new agreement at the rates and on the terms then established for new residents. Home Owner is responsible for delivering to the buyer Home Owner's prospectus, lot rental agreement, rules and regulations, and if the Buyer purchases the mobile home prior to the expiration of the rental term, the current notices of change in rules and regulations. Occupancy of the buyer shall not be deemed to have commenced until delivery of the lot rental agreement, prospectus, current rules and regulations, and current notices of change in rules and regulations to the buyer by the seller or, in the event the seller fails to do so, by the Park Owner.

O. APPROVAL OF NEW RESIDENTS. Prior to approval of any potential purchaser or of any other new resident, Park Management must be notified of the name of all persons who will live with the purchaser or other new resident, and the current address, phone number, date of birth, job references and any other reasonable information requested by Park Management with respect to all persons who will live in the mobile home following its sale to the potential purchaser. Under no circumstances shall any person move into the mobile home until (a) he and all persons who are to live in the mobile home have been approved by Park management to become Residents ; and (b) he and all persons who are to live in the mobile home have assumed this lease by fully executing or otherwise identifying themselves as a resident on an identical Lot Rental Agreement covering the balance of the term of this Lot Rental Agreement. Within ten (10) days of receipt of all the requested information, Park Management shall give the Home Owner notice of whether the potential purchaser and all persons who will live with that purchaser have been approved as being qualified to become Home Owners. Approval shall not be unreasonably withheld.

P. STATUTORY PROVISIONS. The relationship between the Home Owner and Park Owner shall be subject to the terms of Chapter 723, Florida Statutes.

Q. WAIVER. The waiver by either party of any default of the other party or the acceptance by Park Owner of payment with knowledge of any default of any term, covenant or condition of this Agreement shall not be deemed to be a waiver of any subsequent or further breach of any term, covenant or condition of this Agreement. The failure by either party to take any action in respect to any default of any term, covenant or condition shall not be deemed to be a waiver of such default or any other or further default(s) and the parties reserve the right to

pursue their remedies in full at any time.

R. SAVINGS CLAUSE. Each provision of this Agreement is separate and distinct and individually enforceable. In the event any provision is declared to be unlawful, the enforceability of all the other provisions shall not be affected.

S. EVICTION. The Park Owner may evict a Home Owner or a mobile home on one or more of the grounds set forth in Section 723.061, Florida Statutes, including Home Owner's failure to perform any obligation created by this Rental Agreement.

T. ABANDONMENT OF MOBILE HOME

1. In the event that the Home Owner abandons the Home Owner's Premises and leaves the Home Owner's mobile home, automobile(s) or other personal property on the Home Owner's Premises or in the park, the Home Owner hereby contracts and hires Park Owner for the storage of such property immediately upon such abandonment. Home Owner further agrees that Park Owner may charge storage fees for such property in an amount equal to all sums due by Home Owner to Park Owner under this Rental Agreement as of the date of abandonment plus an additional monthly storage fee not to exceed the amount of monthly rental payable under this Rental Agreement. Home Owner further agrees to pay, as an additional storage fee, any costs incurred by Park Owner in the removal of Home Owner's mobile home and/or personal property from the Home Owner's Premises or the Park.

2. Home Owner expressly agrees and recognizes that any storage fees imposed by virtue of the foregoing paragraph shall become a lien on the property of the Home Owner so stored and that Park Owner shall have all the rights provided by law.

3. Abandonment shall be effectuated by the Home Owner upon the existence of any of the following circumstances.

a. Notification by Home Owner to Park Owner of Home Owner's intent to abandon the Home Owner's Premises combined with Home Owner's absence from the Home Owner's Premises for a period of five (5) days, or

b. Failure of the Home Owner to occupy the Home Owner's premises for a period of thirty (30) days combined with the failure of Home Owner to pay rent due during such period of non-occupancy.

4. In the event the Rental Agreement is terminated by Park Owner and Home Owner refuses to vacate the Home Owner's Premises after being given notice of termination as provided by law, Home Owner hereby contracts with and hires Park Owner for the removal and/or storage of Home Owner's mobile home, automobile(s) and other personal property located on the Home Owner's Premises or in the park. Home Owner further agrees that Park Owner may charge as fees for storage of such property an amount equal to all sums due by Home Owner to Park Owner under this Rental Agreement as of the date of termination plus an additional

monthly storage fee not to exceed the amount of monthly rent payable under this Rental Agreement. Home Owner further agrees to pay, as an additional storage fee, any costs incurred by Park Owner in removal of Home Owner's mobile home and/or other property from the Home Owner's Premises or the park.

5. Home Owner expressly agrees and recognizes that any storage fees, imposed by virtue hereof shall become a lien on the property of Home Owner so stored and the Park Owner shall have all rights provided by law.

U. DEFAULT. The breaching by Lessee of any of the terms, financial or otherwise, or conditions of this Lot Rental Agreement shall constitute a default by the Lessee under this Lot Rental Agreement. Should Lessee file a voluntary or suffer an involuntary bankruptcy, be adjudged a voluntary or involuntary bankrupt, or make an assignment for the benefit of creditors, or should there be appointed a Receiver to take charge of the premises, then in any of these events, at Lessor's option a default by Lessee may be declared, and all deposits forfeited.

V. PERSONAL PROPERTY TAXES. Lessee shall pay or cause to be paid, before delinquency, all taxes assessed which become payable during the term hereof upon all Lessee's leasehold improvements done by Lessee, equipment, furniture and personal property located in the premises. In the event any or all of the Lessee's leasehold improvements, equipment, furniture, fixtures and personal property shall be assessed and taxed along with the ad valorem property taxes assessed on the Park by any governmental authority, Lessee shall pay to Lessor its share of such taxes after delivery to Lessee by Lessor of written notice as required by Chapter 723, Florida Statutes.

W. MISCELLANEOUS.

1. The Home Owner shall promptly execute and comply with all statutes, ordinances, rules, order, regulations and requirements of the federal, state, regional and local governments, and of any and all their departments and bureaus applicable to said Premises, for the correction, prevention and abatement of nuisances or other grievances, in, upon, or connected with said Premises during said term.

2. The prompt payment of the lot rental amount for the premises upon the dates named, and the faithful observance of the Rules and Regulations attached hereto and made a part of this lot rental agreement, and of such other and further Rules and Regulations as may be hereafter made by the Park Owner, are the conditions upon which the Lot Rental Agreement is made and accepted. Resident agrees that as a condition of this Lot Rental Agreement, the Park has a lien against Resident's home as set forth in Section 713.77, Florida Statutes, as may hereafter be amended, and that that lien may be perfected by Park Owner's securing possession of the home.

3. It is expressly agreed and understood by and between the parties to this Lot Rental Agreement, that the Park Owner shall not be liable for any damages or injury by water, or by defect or failure by any concrete structure, which may be sustained by the Home Owner or other persons or for any other damage or injury resulting from the carelessness, negligence, or improper conduct on the part of any other home owner or agents, or employees, or

by reason of the breakage, leakage, or obstruction of the water, sewer or soil pipes, or other leakage in or about the premises.

4. All of the Park Owner's rights and remedies are cumulative and not in lieu of each other, and the failure of the Park Owner to exercise any right or remedy shall not operate to forfeit such right or remedy in the future or any other rights or remedies of the Park Owner at any time. Forbearance by the Park Owner to enforce one or more of its rights or remedies shall not be deemed to constitute a waiver of any default of Resident nor operate to permit the repetition or continuation of such default.

5. Home Owner acknowledges that all streets, thoroughfares, parks and recreation facilities, remain the private property of the Park Owner to be used by Home Owner in common with other home owners of the Park, subject to the Policies and Regulations established by the Park Owner from time to time.

6. If title to or possession of Home Owner's mobile home located in the Park is sold or assigned, other than as set forth herein, voluntarily or involuntarily, or by operation of law, or should any creditor or creditors of Home Owner or any Receiver or Trustee, on behalf of any such creditor or creditors, or any other person or persons, by levy, attachment or other proceeding, or by operation of law, obtain title to or the possession of said mobile home, the Park Owner may, at its option, terminate this Lot Rental Agreement, and all the rights of the Home Owner hereunder. Upon termination of this Lot Rental Agreement, Home Owner's right of possession shall immediately terminate and retention or possession thereafter shall constitute unlawful detainer of the demised premises.

7. Home Owner agrees to permit Park Owner or its agents, at any reasonable time, to enter the leased premises for the purposes of exhibiting the same, making repairs, routine maintenance, replacement of utilities, or protection of the Park.

8. Home Owner agrees not to hold the Park Owner responsible for any delay in the installation of electricity, water, or gas, or meters therefore, or interruption in the use and services of such commodities.

9. Home Owner agrees not to use the demised premises, or any part thereof, or to permit the same to be used, for any illegal or improper purposes; not to make, or to permit to be made, any disturbance, noise or annoyance whatsoever detrimental to the premises or to the comfort and peace of the inhabitants of the vicinity of the demised premises.

10. This Lot Rental Agreement shall bind the Park Owner and its assigns or successor, and the heirs, administrators, legal representatives, executors or successors as the case may be, of the Home Owner.

11. Home Owner acknowledges that he has read and understands and agrees to abide by the foregoing, and that Home Owner was offered the foregoing Lease prior to occupancy. Home Owner further acknowledges that Home Owner has read and understands the

Prospectus for Island Life Village prior to execution hereof.

12. All terms utilized in this Lot Rental Agreement shall have the same definitions and meanings as contained in the Prospectus for Island Life Village if contained therein.

13. Any lot that accumulates "junk" must be cleaned up at the Home Owner's expense if given a written notice from Park Management. When a mobile home changes ownership, so does the "junk." The new home owner is responsible for cleaning up the premises and for removing junk from Park property at his own expense.

X. ENTIRE AGREEMENT. This Lot Rental Agreement, and the prospectus to which it is attached as an exhibit as it may be applicable, contains the entire Agreement between Park Owner and Home Owner, and there are no other terms, obligations, covenants, representations, statements or conditions, oral or otherwise, of any kind whatsoever, between Park Owner and Home Owner. Any changes or additions to this Lot Rental Agreement must be made in writing and executed by the parties hereto.

Y. RESIDENT ACKNOWLEDGMENT: Each of the Regulations of the park are specifically incorporated into this Rental Agreement by reference. Home Owner hereby acknowledges that he has read the foregoing Lot Rental Agreement and that prior to executing this Rental Agreement he has had a reasonable opportunity to read and review it as well as the Park Rules and Regulations, and by signing this Rental Agreement he irrevocably for himself and for all other persons listed in this Lot Rental Agreement binds himself and other persons listed herein to fully abide by the terms of this Lot Rental Agreement and by the Park Rules and Regulations

IN WITNESS WHEREOF, the parties hereto have hereunto executed this instrument for the purpose herein expressed the day and year above written.

Signed, sealed and delivered
in the presence of:

ISLAND LIFE VILLAGE

By _____ By _____
(HOME OWNER) (PARK OWNER)

By _____
(HOME OWNER)

NOTE: ALL PERSONS WHO ARE GOING TO RESIDE IN THE MOBILE HOME MUST SIGN OR BE LISTED IN THIS LOT RENTAL AGREEMENT.

**ISLAND LIFE VILLAGE
LONG TERM LOT RENTAL AGREEMENT**

This Agreement between Island Life Village (the "Park Owner") and _____ (the "Home Owner") shall be effective on _____, 20____, and shall remain in effect until December 31, 2037, unless terminated earlier as provided in this Agreement. This Agreement consists of a series of thirty consecutive one-year lot rental agreements. Each agreement shall automatically renew upon the terms and conditions contained herein unless terminated upon the terms and conditions set forth below.

The purpose of this Agreement is to describe the unique relationship that exists between two property owners: the Park Owner, the entity which owns the real estate and common area improvements at Island Life Village, and the Home Owner, who owns a home located in the Park.

MAKE _____ YEAR _____ SIZE _____ VIN _____ REGISTERED OWNER _____
1ST LIENHOLDER: NAME _____; ADDRESS _____; PHONE _____
2ND LIENHOLDER: NAME _____; ADDRESS _____; PHONE _____

This Lot Rental Agreement allows the Home Owner to use the space known as _____ for the placement of his or her home and allows the Home Owner the use of common area facilities at Island Life Village subject to lawfully established rules and regulations. Nothing in this Agreement gives the Home Owner a property interest in any part of the Park Owner's real estate; nothing in this Agreement gives the Park Owner any property interest in the Home Owner's home.

A. OCCUPANCY The following individuals shall be the "initial residents" for purposes of this Lot Rental Agreement and may occupy the above-specified space. Occupancy of the space by any person(s) other those whose stay with Home Owner does not exceed 15 consecutive days or 30 total days per year, with written approval of Park Management, shall be considered a material default of this Lot Rental Agreement:

_____ Name	_____ Date of Birth	_____ Name	_____ Date of Birth
_____ Name	_____ Date of Birth	_____ Name	_____ Date of Birth

No other persons may occupy Resident's home without written permission from Park Management.

B. LOT RENTAL AMOUNT

1. **BASE RENT.** In consideration for the use of common area facilities and for the use of a place to locate a home, the Home Owner shall pay to the Park Owner in advance on the first day of every month a base rent of \$_____ without any deduction or offset. Home Owner must pay by check, cashier's check, money order, or by electronic debit if such debit is implemented by Park Owner. Park Owner reserves the right to refuse a personal check. Additional increases in base rent through year 2037 shall be as follows:

Year	Increase in Base Rent	New Base Rent Amount
2008	\$200.00	\$ 875.00
2009	\$150.00	\$1,025.00
2010	\$175.00	\$1,200.00
2011	\$175.00	\$1,375.00

2012-2037 Base rent shall increase annually by the actual increase in community operating expenses over the amount of those costs incurred during the previous twelve (12) month period plus the greater of three percent (3%) or the percentage increase in the CPI.

2. For purposes of this Lot Rental Agreement, "CPI" shall mean the United States Department of Labor, Consumer Price Index, U. S. City Average - All Urban Consumers, 1982-1984 = 100, or the successor index then in effect, as published during the fifth month prior to the effective date of the proposed increase for the twelve months most recently ended.

3. For purposes of this Lot Rental Agreement, "operating expenses" shall mean the costs of operations including costs, charges, and expenses of every kind and nature paid or incurred by the Park Owner in operating, managing, repairing, maintaining, and administering the Park. Operating expenses may include, but are not limited to the following:

a. The costs of all insurance carried by the Park Owner with respect to the Park, including all fire and extended coverage and liability policies, car and theft coverage, fidelity bonds and any other insurance;

b. The costs for repairs, maintenance, deferred maintenance and replacements;

c. Office expenses including but not limited to telephone, office supplies, salaries, and other compensation, accounting and auditing fees;

d. The costs of janitorial, security, cleaning, and pest control services;

e. The costs of redecoration, renovating, and landscaping the common areas in the Park, and of striping, patching, and repaving any paved areas in the Park;

f. All costs, fees and expenses associated with the Park Owner staying current and in compliance with all applicable federal, state, or local laws, ordinances or regulations, including but not limited to attorneys' fees, legal fees, court costs, investigating costs and the like;

g. The costs of all utilities (including, without limitation, water, sewer, electricity, gas and waste disposal) used or consumed in the Park, unless otherwise charged directly to tenant as provided in the prospectus, and except any of such utilities that are separately metered or billed to the Home Owner;

h. The costs of providing heating, ventilating, and air conditioning services to any recreational building or other common area or facility in the Park;

i. Salaries and other remuneration and compensation paid to persons or firms engaging in operating, managing, repairing, maintaining, or administering the Park, including but not limited to automobile and truck expenses;

j. Management fees and expenses paid in connection with the operation and management of the Park, including any such fees paid to the Park Owner or any affiliate of the Park Owner, travel expenses, dues and fees for any industry organization, subscriptions, and advertising, educational fees, seminars, tuition, travel and lodging;

k. If not otherwise collected as a Governmental and Utility Charge, the cost of capital improvements and repairs made in order to conform to the requirements of any law, ordinance or other government requirement applicable to the Park, the cost of any such capital improvement or repair shall include interest based on Park Owner's then cost of borrowing.

l. All attorneys fees, court costs, investigation costs and other costs and expenses including supplies not otherwise expressly excluded hereunder, attributable to the operation, management, repair, maintenance, or administration of the Park;

m. All costs, fees and charges including interest associated with borrowing money to pay any of the fees, costs, expenses and charges described in the prospectus section entitled "Lot Rental Amount."

n. All costs of advertising and promotion.

o. A reasonable amount as determined in the sole discretion of the Park Owner shall be added to operating expenses for the value of services the Park Owner or other individuals are supplying to the Park which are not included in operating expenses as listed above.

p. Rents and additional rents payable under any ground lease.

q. License fees, permit fees and other fees and charges payable to the State of Florida or to any agency or municipality thereof to the extent that same is not otherwise collected as a Governmental charge.

r. Fire district assessments that may from time to time be levied against the Park.

s. The costs of training personnel.

t. The cost of permanent and non-permanent improvements.

u. Improvements to the Park property which are not otherwise specified herein, but which are made to the Park property by the Park Owner for the benefit of the residents, may cause an increase in the lot rental amount.

4. **OTHER FEES AND CHARGES.** Home Owner may also be assessed the following fees and charges:

Special Use Fees:

a. Setup Fee -- \$_____. A fee is required for setting up the mobile home on the leased premises, and for the use of blocks which are the property of the Park.

b. Returned Check Charge -- \$_____. All checks not accepted and honored by the Banking Institutions on the first deposit will be charged a returned check fee.

c. Late Payment Fee -- \$_____ plus \$_____/per day that the rental amount remains past due. (Applicable only in the event Home Owner is delinquent with a monthly rental payment. All rental payments shall be due on the first day of each month and shall be deemed to be past due if not paid by the tenth day of each month.) Emergency or hardship is taken into consideration for payment after the tenth if Home Owner gives notice to Park Management prior to the deadline date.

d. Garbage Disposal Charge -- A garbage disposal charge of \$_____ per month.

e. Sewage -- A sewage charge of \$_____ per month (if charged separately from the base rent in the future).

f. Storm Drainage Charge -- A storm drainage charge of \$_____ per month (if charged separately from the base rent in the future).

g. Additional Resident Fee -- Additional resident and/or "visitor" and/or "guest" charge of \$_____ per guest residing in the home for more than fifteen (15) consecutive days or a total of thirty (30) days per calendar year.

h. Lot Clean-Up Charge -- \$_____ (per man hour) In case of fire, wind or water damage to Home Owner's property, or in the event that Home Owner's lot is not kept clean and free of trash or debris, Home Owner shall be responsible for any cost of repairs, removal of debris, and clean up of lot.

i. Lawn Maintenance fee, including mowing, edging, and trimming, in the amount of \$_____ for each required maintenance performed by the Park Owner due to the fact that Home Owner fails and/or refuses to do so.

j. Grass Mowing Charge -- \$_____ per season in the event the Park offers this service and home owner opts to incur the charge for this service.

k. Garbage Containment Fee -- If it becomes necessary for the Park Owner to place the Home Owner's garbage in proper containers because Home Owner fails to do so, there will be an additional charge of \$_____ assessed to the Home Owner for each occurrence.

l. Application Fee -- A new Home Owner application fee of \$_____ per application. This fee will be charged by the Park Owner as allowed by law, in qualifying a prospective Home Owner by the Park. If this fee is determined to be an entrance fee prohibited by Section 723.041, Florida Statutes, it will be refunded.

m. Pet Fee -- A pet fee of \$_____ per pet per month.

n. Pest Control Fee -- A pest control fee of \$_____ per month in the event the Park requires this service. This service would only cover pest control for the exterior of the home.

o. Skirting and/or Mobile Home Cleanup Fee -- A skirting area cleanup fee of \$_____ if Home Owner fails and/or refuses to keep the skirting area clean and free of debris or to keep the exterior of the mobile home clean.

p. Special Service Fee -- A special service fee of \$_____ per hour, but not less than \$_____ per service call, for any repair, maintenance, or service (other than those specifically and separately mentioned herein) that is performed by the Park, but which is the responsibility of the Home Owner.

q. Entrance Fee -- \$_____ An entrance fee is applicable to any mobile home placed in the Park. (This fee does not apply to the purchaser of a mobile home situated in the Park.)

r. Attorney's Fees -- \$_____ (as determined by the courts). Home Owner shall pay for all reasonable attorney's fees incurred by the park as the result of any action taken by the park against the Home Owner to collect delinquent rent, enforce the rental agreement or the rules and regulations, whether suit is brought or not, and whether such fees are incurred before or at trial or on appeal. As to any such action brought to enforce the provisions of Chapter 723, Florida Statutes, in which action the Home Owner is the prevailing party, the Home Owner shall be entitled to a reasonable attorney's fee as provided by Section 723.068, Florida Statutes.

s. Large Item Trash Removal Charge -- a minimum of \$_____. A garbage and/or trash "removal" fee for items which are not collected as part of the normal garbage or waste removal services provided in the Park (i.e. refrigerators, large appliances, etc.) if the Home Owner fails and/or refuses to remove same.

t. Vehicle Towing Fee -- \$_____ -- if the Park is required to remove an unauthorized or illegally parked vehicle(s), Home Owner will be charged the actual amount charged by the tow truck operator, including any storage charges.

u. Mail Box Fee -- \$_____

v. Speeding Fee -- \$_____

w. Damage to Property Fee -- \$_____ Residents will be held financially responsible for damage to private or park property caused by their family or guests.

x. Security Deposit -- \$_____.

y. Recycling Fee -- \$_____ or actual costs incurred if a cost for recycling is imposed by the service provider in the future.

z. Damaged Home Removal Fee -- \$_____ for the actual costs incurred for removing home owner's damaged or destroyed home after notice to home owner of the obligation to do so and home owner's failure to comply.

aa. Upgrading of Home Fee. \$_____ per hour for all work necessary to be performed by Park Owner to bring a mobile home brought into the Park into conformance with Park rules and regulations.

bb. Cost of Special Notices. \$_____ for actual costs incurred by the Park Owner to furnish notices to the Home Owner regarding: (1) non payment of lot rental amount; (2) non compliance with a provision of the Home Owner's lot rental agreement and/or prospectus; (3) non compliance with any park rule or regulation. Such costs include but are not limited to attorneys fees, mailing costs, secretarial time and costs of posting of notices.

cc. Rule Violation Fee. \$_____ per rule violation. Each day a violation continues constitutes a separate violation.

dd. Insurance fee. \$_____. Home Owner is required to obtain an insurance policy or policies of comprehensive liability, fire, windstorm and flood insurance insuring Park Owner and Home Owner against perils arising out of the ownership, use, occupancy or maintenance of the mobile home lot and all areas appurtenant thereto including the coverage for the removal of the mobile home after a fire, windstorm, flood or Act of God. If Home Owner fails to procure and maintain said insurance, Park Owner may, but shall not be required to, procure and maintain same and charge Home Owner for the expense of the policy or policies.

ee. Prospectus replacement fee. \$_____ per copy for replacement of lost, damaged or destroyed prospectus.

ff. Subleasing Fee -- \$_____ which is _____% of sublease rent. This fee will be charged if subleasing is authorized by the Park Owner, and is to cover the cost of interviewing the prospective resident, processing the application for residency along with other relevant documents, investigating the personal background and references of the prospective resident, and conducting a credit investigation. This fee will be charged by the Park Owner, as allowed by law, in qualifying a prospective tenant of the Park.

gg. Parking of vehicle on street, sidewalk, swale or lawn without prior written permission of Park Management -- \$_____ per day or any part thereof.

hh. Storm Readiness Fee -- \$_____. A storm readiness fee shall be charged if Park Management must properly secure Resident's mobile home against a storm as a result of Resident's failure to do so including the installation, maintenance, repair, or replacement of hurricane shutters or other hurricane related work.

ii. Unapproved Pet Fee - \$_____ per pet per day that an unapproved pet remains in the home after receipt of written demand from Park Management for removal of the pet.

jj. Tree Removal and Tree Trimming Fee. \$_____. The actual costs of tree removal and/or tree trimming shall be shared equally between Home Owner and Park Owner.

kk. New home replacement charge. \$_____. This fee covers normal on-site supervision and administrative approvals of home design, layout and specifications.

5. **GOVERNMENTAL AND UTILITY CHARGES.** These charges will be charged to the Home Owner(s) on a pro rata basis or on such other bases as may be implemented by the governmental authority imposing such charges. ("Pro rata basis" means that percentage derived by dividing the number of mobile home spaces leased by a resident by the total number of occupied mobile home spaces in the Park.) The governmental and utility charges which may currently be charged to the Home Owner(s) are as follows:

a. Sewer charges or increases in same for usage of sewer service in common areas;

b. Waste disposal charges or increases in same;

c. "Taxes", which term includes ad valorem taxes and special or non-ad valorem assessments levied upon or assessed against the park by any unit of government. If the method of property taxation prevailing on the delivery date of this Prospectus is changed so that taxes now levied or assessed on Park property are replaced partially or completely by a tax levied or assessed upon the Park Owner as a capital levy or otherwise or on or measured by lot rental amounts received by the Park Owner from the Park, or by any assessment other than any ad valorem tax, then such new or altered taxes shall be deemed included within the definition of "taxes";

d. "Pass-through charges" including the home owner's proportionate share of the necessary and actual direct costs and impact or hook up fees for a governmentally mandated capital improvement, which may include the necessary and actual direct costs and impact or hook up fees incurred for capital improvements required for public or private regulated utilities. "Proportionate share" for calculating pass-through charges is the amount calculated by dividing equally among the affected developed lots in the park the total costs for the necessary and actual direct costs and impact or hookup fees incurred for governmentally mandated capital improvements serving the recreational and common areas and all affected developed lots in the park.

e. Expenses created and charged to the Park Owner by any federal, state, regional or local governmental entity or utility company, including annual filing fee(s) and the Prospectus filing fee(s) as is required by Chapter 723, Florida Statutes, and any other non ad valorem assessments;

f. Special assessments or charges by any federal, state, regional or local government entity or utility company;

g. Replacement utility charges charged to the Park Owner or to the Home Owner's lot by any federal, state, regional or local governmental entity or utility company for service of a type or nature not available on the delivery date of this Prospectus in replacement or substitution, in whole or in part, of any utility or other service that is provided or is available to Park Home Owners on the delivery date;

h. New utility charges charged the Park Owner by any federal, state, regional or local governmental entity or utility company that become available for the beneficial use and enjoyment of the Park residents after the delivery date of this Prospectus;

i. Any presently unknown governmental or utility charges, as defined above, which are charged to the Park Owner in the future by any federal, state, regional or local government or utility company may be charged to Home Owner(s) in accordance with law.

j. Non-ad valorem assessments.

k. Costs (including interest based on Park Owner's then cost of borrowing) incurred by the Park Owner as a result of actions taken by federal, state, regional or local governmental entities or utility companies but not directly billed to the Park Owner by said federal, state, regional or local governmental entity or utility company. The Park Owner may recapture these types of costs by charging a lump sum assessment to the Home Owners, at the end of the term of the Park's yearly Lot Rental Agreement (Lease). These types of charges shall be charged to Home Owner(s) after providing notice as required by Chapter 723, Florida Statutes, to the Home Owner(s) on a pro rata basis as defined above and shall be limited to the amount of the costs incurred by the Park Owner and any maintenance and administrative costs as permitted by Section 723.045, Florida Statutes, if applicable.

Certain of the above-mentioned government and utility charges and costs which are billed by either the federal, state, regional or local governmental entities or utility companies may be charged to the Home Owners after providing notice as required by Chapter 723, Florida Statutes, to all Home Owners at any time during the lease term. The amount of the assessment for these charges shall be limited to the costs or charges billed to the Park Owner by the federal, state, regional or local governmental agency or utility company plus any maintenance and administrative costs relating to same as is permitted by Section 723.045, Florida Statutes.

In addition to paying the above-listed payments when due, the Home Owner is also required to pay, upon written notice as prescribed by Chapter 723, Florida Statutes, a pro rata portion of all ad valorem and non-ad valorem assessments and any other governmental and utility charges (including but not limited to filing fees and annual fees charged by the Florida Division of Land Sales Condominiums and Mobile Homes) and a pro rata portion of property taxes, and the costs of utilities, insurance and services

including waste disposal paid by the Park Owner. In those instances where the utilities or any of them are owned or operated by the Park Owner, there shall be included in the determination of utility costs all related out-of-pocket costs including, without limitation, the cost of maintaining or operating the utility plant, repairs, capital improvements, and meeting governmental requirements. The Home Owner will also be required to pay, over a reasonable period of time to be established by the Park Owner, a pro rata portion of the costs of capital improvements or alterations and a pro rata portion of the costs and fees associated with hooking up to a private or public utility company if the Park Owner should discontinue operating any utility it now operates.

C. ROUNDING. All Base Monthly Site Rental Amounts calculated and to be paid pursuant to the formulas and procedures set forth in this Agreement, after the calculations have been otherwise completed, shall be rounded up or down (as the case may be) to the nearest even dollar amount, with any Base Monthly Site Rental Amount that is exactly fifty cents (\$0.50) more than an even dollar amount to be rounded to the next higher even dollar amount.

D. UTILITIES AND OTHER SERVICES. At the time of execution of this Lot Rental Agreement, the following services are provided by the Park Owner as part of the base rent portion of lot rental amount: maintenance of the Park's common areas and street lights and use of the Park facilities, electric power for the street lights and common facilities (but not to each individual mobile home in the Park), and storm drainage. Sewer service and solid waste disposal service (garbage and trash collection) are included in the lot rental amount as a separate charge and are not included in the base rent. For those utilities or services that are charged to the Home Owner separate from the base rent component of lot rental amount, the charge(s) to the Home Owner will increase upon, and in accordance with, any future increase by the provider without further notice to the Home Owner by Park Owner.

E. TERMINATION OF TENANCY. Park Owner may terminate any of the 30 consecutive lot rental agreements established by this Agreement upon the Home Owner's failure to comply with this Agreement or the Rules and Regulations, subject to the termination provisions of Chapter 723, Florida Statutes. This Agreement may be terminated only as permitted by applicable Florida law. Home Owner's removal or notification of his intent to move his mobile home from the Park prior to the expiration of this Lot Rental Agreement shall result in the acceleration of all payments due hereunder for the balance of the current term. All such payments shall thereafter be due and payable immediately.

F. TERMINATION OF AGREEMENT. Home Owner acknowledges and agrees that the Park Owner, in its sole discretion, may elect to terminate this Agreement upon the occurrence of one or more of the following:

1. If less than ninety percent (90%) of Park residents accept the Agreement by execution hereof on or before March 31, 2008. In that event, each Home Owner's tenancy shall be governed by the terms and conditions of the lot rental agreement which governed their tenancy before execution of this Agreement and at the

same lot rental amount in effect as of the date of termination of this Agreement. If termination as prescribed by this subsection does not occur on or before March 31, 2008, then termination by the Park Owner via this subsection shall expire and this subsection shall become null and void.

2. If, in agreement with Park Owner, Sixty-Five Percent (65%) of all Home Owners agree, in writing, to a change in use of the land comprising the Park. The procedures prescribed by section 723.061(1)(d), Florida Statutes, shall be followed.

3. If the lot rental amount is not received in full when due for a minimum percentage of occupied spaces each month, then this Agreement may be terminated on the first day of the next month as follows:

a. 28 days from the due date if the full lot rental amount is received from 70% or less of the occupied spaces;

b. 3 months from the due date if the full lot rental amount is received from between 71% to 80% of the occupied spaces;

c. 6 months from the due date if the full lot rental amount is received from between 81% to 90% of the occupied spaces.

In the event termination as prescribed in this subsection occurs, then each Home Owner's tenancy shall be governed by the terms and conditions of the lot rental agreement attached as Exhibit B to Prospectus PRMZ000513-P3; and, at the same lot rental amount in effect as of the date of termination of this Agreement.

4. Governmental condemnation of the space which is the subject of this Agreement. See Section H. Condemnation.

G. CONTINUATION OF PARK. Island Life Village (or as it may subsequently be renamed) shall remain a "mobile home park" as defined in section 723.003(6), Florida Statutes, until the earlier of December 31, 2037 or termination of this Agreement as provided in paragraph F hereof. For purposes of this Agreement, "change in use" shall not include:

1. Condemnation as provided for in this agreement; or

2. Any change in use which allows the Home Owner to remain in residence on his lot including, but not limited to, conversion to a Park governed by affordable housing guidelines established by federal, state or local government; or

3. Change to allow modular homes within the Park; or

4. Such other changes to the Park or the use designation of the Park that does not result in Home Owner being displaced from his home or the Park.

H. CONDEMNATION. Governmental condemnation of the space which is the subject of this Agreement shall be sufficient grounds for the unilateral termination by Park Owner, of this Agreement with the affected Home Owner. Further, governmental condemnation of all or a substantial portion of Island Life Village shall be sufficient grounds for the unilateral termination of this Agreement by Park Owner for all Home Owners. In either event, Park Owner shall notify the affected Home Owner(s) in writing as required by law. If Park Owner elects to continue to operate the remaining property as a mobile home park after a substantial portion of the Park has been condemned, then each remaining Home Owner's tenancy shall be governed by the terms and conditions of the lot rental agreement attached as Exhibit B to Prospectus PRMZ000513-P3; and, at the same lot rental amount in effect as of the date of termination of this Agreement. No award for any partial or entire condemnation of the Park shall be apportioned, and the Home Owner hereby renounces any interest in any award resulting from a condemnation of all or part of the real property, improvements and business at Island Life Village. Park Owner renounces any interest in any relocation award or personal property compensation made to the Home Owner in connection with the condemnation or forced relocation of the Home Owner's home and its appurtenances by a government body, unless the Home Owner makes a claim against Park Owner for a relocation award or property compensation in connection with the displacement.

I. RULES AND REGULATIONS. The Home Owner agrees to abide by and conform to all applicable Rules and Regulations adopted by Park Owner and implemented in compliance with state law. THE HOME OWNER ACKNOWLEDGES THAT HE HAS READ, UNDERSTANDS, AND AGREES TO ABIDE BY THE RULES AND REGULATIONS PRIOR TO SIGNING THIS AGREEMENT. Park Owner may, at its discretion and in conformity with the law, amend the Rules and Regulations from time to time but shall specify the date of implementation of each such amendment, which date shall not be less than ninety (90) days after written notice to all affected residents in the Island Life Village and to the board of directors of the Home Owners' association, or such shorter period as may be allowed by law.

J. HOME OWNER CONDUCT AND OTHER GENERAL OBLIGATIONS. Home Owner agrees that he and all occupants of his mobile home shall at all times conduct themselves with due regard for the personal and property rights of the other home owners of the Park and will refrain from doing or causing to be done any act or thing that would create a nuisance, which term shall include obstruction or interference with the person and property rights of other occupants of the park or with the orderly and efficient operation of the Park. Home Owner further agrees that the said occupants of his mobile home will keep and maintain the demised premises in good repair, comply with all municipal, county, state or federal laws, regulations or ordinances now or hereafter applicable, and upon termination of this Lot Rental agreement, surrender the demised premises to the Park Owner in good order and condition.

K. DAMAGE OF HOME. If the Home Owner's home or other improvement is destroyed or so damaged by fire or other cause as to be wholly or partially unfit for occupancy or use, the Home Owner shall continue to make all payments called for by the terms of this Agreement. However, the Home Owner shall make the home or other improvement fit for occupancy or use and make it conform to the Rules and Regulations, or replace it, within sixty days of such destruction or damage. If the home or other improvement is destroyed or irreparably damaged, then it shall be removed promptly by the Home Owner at his or her own expense. If the Home Owner fails to so remove it, Park Owner may, with notice, remove it and charge the Home Owner for the cost, which sum shall be due and payable immediately.

L. FIXTURES. All structures, including fences, embedded in the ground, blacktop or concrete, shall be maintained in good repair and attractive condition by the Home Owner. If such items are damaged or removed by the Home Owner, then the Home Owner shall repair any damage caused as a result.

M. ATTORNEY'S FEES AND COURT COSTS. In the event that it shall become necessary for the Park Owner to employ the services of an attorney to enforce any of its rights under this Prospectus or to collect any sums due to him under the Lot Rental Agreement or to remedy the breach of any covenant of the Rules and Regulations, regardless of whether suit be brought, the Mobile Home Owner shall pay to the Park Owner such reasonable fees as shall be charged by the Park Owner's attorney for such services. Should suit be brought, by reason of any dispute under this Prospectus, the Lot Rental Agreement or the Rules and Regulations, the prevailing party shall be entitled to recover from the other party all expenses of such suit and any appeal thereof, including a reasonable attorney's fee.

N. SUCCESSORS TO PARK OWNER. If Park Owner should sell its property at Island Life Village and assign its rights and obligations under this Agreement to the new park owner, the Home Owner shall honor such an assignment by recognizing the new park owner in Park Owner's place and by releasing Park Owner from all further obligation under this Agreement. The Home Owner shall and hereby does subordinate its interests, to the extent any interests exist under this Agreement, to Park Owner's successors and to lenders who may be granted a security interest in Park Owner's property. The Home Owner empowers Park Owner and its successors as attorney-in-fact to execute all instruments necessary to accomplish such subordination.

O. ASSIGNMENT AND SUBLETTING. The Home Owner shall not assign this Lot Rental Agreement, or any interest therein, and shall not sublet the leased premises to occupy or use the leased premises without the specific written consent of Park Owner. Any assignment or subletting without Park Owner's consent shall be void, and shall constitute a default by Home Owner under this Lot Rental Agreement.

P. SUCCESSORS TO THE HOME OWNER. Upon Park Owner's prior approval of the buyer, which approval shall not be unreasonably withheld, the balance

of the term of this Agreement may be assumed by a person who purchases the Home Owner's home. At the end of the assumed term, the buyer will be offered a new agreement at the rates and on the terms then established for new residents. Home Owner is responsible for delivering to the buyer Home Owner's prospectus, lot rental agreement, rules and regulations, and if the Buyer purchases the mobile home prior to the expiration of the rental term, the current notices of change in rules and regulations. Occupancy of the buyer shall not be deemed to have commenced until delivery of the lot rental agreement, prospectus, current rules and regulations, and current notices of change in rules and regulations to the buyer by the seller or, in the event the seller fails to do so, by the Park Owner.

Q. APPROVAL OF NEW RESIDENTS. Prior to approval of any potential purchaser or of any other new resident, Park Management must be notified of the name of all persons who will live with the purchaser or other new resident, and the current address, phone number, date of birth, job references and any other reasonable information requested by Park Management with respect to all persons who will live in the mobile home following its sale to the potential purchaser. Under no circumstances shall any person move into the mobile home until (a) he and all persons who are to live in the mobile home have been approved by Park management to become Residents; and (b) he and all persons who are to live in the mobile home have assumed this lease by fully executing or otherwise identifying themselves as a resident on an identical Lot Rental Agreement covering the balance of the term of this Lot Rental Agreement. Within ten (10) days of receipt of all the requested information, Park Management shall give the Home Owner notice of whether the potential purchaser and all persons who will live with that purchaser have been approved as being qualified to become Home Owners. Approval shall not be unreasonably withheld.

R. STATUTORY PROVISIONS. The relationship between the Home Owner and Park Owner shall be subject to the terms of Chapter 723, Florida Statutes.

S. WAIVER. The waiver by either party of any default of the other party or the acceptance by Park Owner of payment with knowledge of any default of any term, covenant or condition of this Agreement shall not be deemed to be a waiver of any subsequent or further breach of any term, covenant or condition of this Agreement. The failure by either party to take any action in respect to any default of any term, covenant or condition shall not be deemed to be a waiver of such default or any other or further default(s) and the parties reserve the right to pursue their remedies in full at any time.

T. SAVINGS CLAUSE. Each provision of this Agreement is separate and distinct and individually enforceable. In the event any provision is declared to be unlawful, the enforceability of all the other provisions shall not be affected.

U. EVICTION. The Park Owner may evict a Home Owner or a mobile home on one or more of the grounds set forth in Section 723.061, Florida Statutes, including Home Owner's failure to perform any obligation created by this Agreement.

V. ABANDONMENT OF MOBILE HOME

1. In the event that the Home Owner either abandons the Home Owner's lot or the Rental Agreement is terminated by Park Owner and Home Owner refuses to vacate the Home Owner's lot after being given notice of termination as provided by law; and leaves the Home Owner's mobile home, automobile(s) or other personal property on the Home Owner's lot or in the park, then Home Owner agrees that Park Owner may charge storage fees for such property in an amount equal to all sums due by Home Owner to Park Owner under this Rental Agreement as of the date of abandonment. Home Owner further agrees to pay, as an additional storage fee, any costs incurred by Park Owner in the removal of Home Owner's mobile home and/or personal property from the Home Owner's lot or the Park and any other costs allowed by law.

2. Abandonment shall be effectuated by the Home Owner upon the existence of any of the following circumstances:

a. Notification by Home Owner to Park Owner of Home Owner's intent to abandon the Home Owner's lot combined with Home Owner's absence from the lot for a period of five (5) days, or

b. Failure of the Home Owner to occupy the Home Owner's lot for a period of thirty (30) consecutive days combined with the failure of Home Owner to pay rent due during such period of nonoccupancy.

3. Home Owner expressly agrees and recognizes that any storage fees, imposed by virtue hereof shall become a lien on the property of Home Owner so stored and the Park Owner shall have all rights provided by law.

4. Section 723.084, Florida Statutes, does not apply to the payment of storage charges under this section.

W. DEFAULT. The breaching by Home Owner of any of the terms, financial or otherwise, or conditions of this Lot Rental Agreement shall constitute a default by the Home Owner under this Lot Rental Agreement. Should Home Owner file a voluntary or suffer an involuntary bankruptcy, be adjudged a voluntary or involuntary bankrupt, or make an assignment for the benefit of creditors, or should there be appointed a Receiver to take charge of the premises, then in any of these events, at Park Owner's option a default by Home Owner may be declared, and all deposits forfeited.

X. PERSONAL PROPERTY TAXES. Home Owner shall pay or cause to be paid, before delinquency, all taxes assessed which become payable during the term hereof upon all Home Owner's leasehold improvements done by Home Owner, equipment, furniture and personal property located in the premises. In the event any or all of the Home Owner's leasehold improvements, equipment, furniture, fixtures and

personal property shall be assessed and taxed along with the ad valorem property taxes assessed on the Park by any governmental authority, Home Owner shall pay to Park Owner its share of such taxes after delivery to Home Owner by Park Owner of written notice as required by Chapter 723, Florida Statutes.

Y. DISPUTE RESOLUTION. Any controversy or claim arising out of or relating to this Agreement, or the interpretation, construction, breach or enforcement hereof, shall be resolved pursuant to the Dispute Resolution Mechanism set forth in Chapter 723 prior to, and as a condition precedent to, any litigation being filed in any court of law.

Z. MISCELLANEOUS.

1. The Home Owner shall promptly execute and comply with all statutes, ordinances, rules, order, regulations and requirements of the federal, state, regional and local governments, and of any and all their departments and bureaus applicable to said Premises, for the correction, prevention and abatement of nuisances or other grievances, in, upon, or connected with said Premises during said term.

2. The prompt payment of the lot rental amount for the premises upon the dates named, and the faithful observance of the Rules and Regulations attached hereto and made a part of this lot rental agreement, and of such other and further Rules and Regulations as may be hereafter made by the Park Owner, are the conditions upon which the Lot Rental Agreement is made and accepted.

3. It is expressly agreed and understood by and between the parties to this Lot Rental Agreement, that the Park Owner shall not be liable for any damages or injury by water, or by defect or failure by any concrete structure, which may be sustained by the Home Owner or other persons or for any other damage or injury resulting from the carelessness, negligence, or improper conduct on the part of any other home owner or agents, or employees, or by reason of the breakage, leakage, or obstruction of the water, sewer or soil pipes, or other leakage in or about the premises.

4. All of the Park Owner's rights and remedies are cumulative and not in lieu of each other, and the failure of the Park Owner to exercise any right or remedy shall not operate to forfeit such right or remedy in the future or any other rights or remedies of the Park Owner at any time. Forbearance by the Park Owner to enforce one or more of its rights or remedies shall not be deemed to constitute a waiver of any default of Resident nor operate to permit the repetition or continuation of such default.

5. Home Owner acknowledges that all streets, thoroughfares, parks and recreation facilities, remain the private property of the Park Owner to be used by Home Owner in common with other home owners of the Park, subject to the Policies and Regulations established by the Park Owner from time to time.

6. If title to or possession of Home Owner's mobile home located in the Park is sold or assigned, other than as set forth herein, voluntarily or involuntarily, or

by operation of law, or should any creditor or creditors of Home Owner or any Receiver or Trustee, on behalf of any such creditor or creditors, or any other persons, by levy, attachment or other proceeding, or by operation of law, obtain title to or the possession of said mobile home, the Park Owner may, at its option, terminate this Lot Rental Agreement, and all the rights of the Home Owner hereunder. Upon termination of this Lot Rental Agreement, Home Owner's right of possession shall immediately terminate and retention or possession thereafter shall constitute unlawful detainer of the demised premises.

7. Home Owner agrees to permit Park Owner or its agents, at any reasonable time, to enter the leased premises for the purposes of exhibiting the same, making repairs, routine maintenance, replacement of utilities, or protection of the Park.

8. Home Owner agrees not to hold the Park Owner responsible for any delay in the installation of electricity, water, or gas, or meters therefore, or interruption in the use and services of such commodities.

9. Home Owner agrees not to use the demised premises, or any part thereof, or to permit the same to be used, for any illegal or improper purposes; not to make, or to permit to be made, any disturbance, noise or annoyance whatsoever detrimental to the premises or to the comfort and peace of the inhabitants of the vicinity of the demised premises.

10. This Lot Rental Agreement shall bind the Park Owner and its assigns or successor, and the heirs, administrators, legal representatives, executors or successors as the case may be, of the Home Owner.

11. Home Owner acknowledges that he has read and understands and agrees to abide by the foregoing, and that Home Owner was offered the foregoing Lease prior to occupancy. Home Owner further acknowledges that Home Owner has read and understands the Prospectus for Island Life Village prior to execution hereof.

12. All terms utilized in this Lot Rental Agreement shall have the same definitions and meanings as contained in the Prospectus for Island Life Village if contained therein.

13. Any lot that accumulates "junk" must be cleaned up at the Home Owner's expense if given a written notice from Park Management. When a mobile home changes ownership, so does the "junk." The new home owner is responsible for cleaning up the premises and for removing junk from Park property at his own expense.

AA. ENTIRE AGREEMENT. This Lot Rental Agreement, and the prospectus to which it is attached as an exhibit as it may be applicable, contains the entire Agreement between Park Owner and Home Owner, and there are no other terms, obligations, covenants, representations, statements or conditions, oral or otherwise, of

any kind whatsoever, between Park Owner and Home Owner. Any changes or additions to this Lot Rental Agreement must be made in writing and executed by the parties hereto.

BB. RESIDENT ACKNOWLEDGMENT: Each of the Regulations of the park are specifically incorporated into this Rental Agreement by reference. Home Owner hereby acknowledges that he has read the foregoing Lot Rental Agreement and that prior to executing this Rental Agreement he has had a reasonable opportunity to read and review it as well as the Park Rules and Regulations, and by signing this Rental Agreement he irrevocably for himself and for all other persons listed in this Lot Rental Agreement binds himself and other persons listed herein to fully abide by the terms of this Lot Rental Agreement and by the Park Rules and Regulations. Further, by signing this Lot Rental Agreement, Home Owner acknowledges and agrees that the lot rental amount and lot rental amount increases described herein are reasonable as that term is defined in Chapter 723, Florida Statutes.

IN WITNESS WHEREOF, the parties hereto have hereunto executed this instrument for the purpose herein expressed the day and year above written.

YOU DO NOT HAVE TO ACCEPT THIS RENTAL AGREEMENT. THIS RENTAL AGREEMENT CONTAINS PROVISIONS WHICH ARE DIFFERENT FROM THE PROSPECTUS DISCLOSURE. THESE DIFFERENCES MAY INCLUDE FEES AND FACTORS WHICH MAY AFFECT THE LOT RENTAL AMOUNT OR OTHER PROVISIONS.

THIS RENTAL AGREEMENT APPLIES ONLY TO THOSE HOMEOWNERS WHO CONSENT TO IT.

Signed, sealed and delivered
in the presence of:

ISLAND LIFE VILLAGE

By _____
(HOME OWNER)

By _____
(PARK OWNER)

By _____
(HOME OWNER)

NOTE: ALL PERSONS WHO ARE GOING TO RESIDE IN THE MOBILE HOME MUST SIGN OR BE LISTED IN THIS LOT RENTAL AGREEMENT.

EXHIBIT "C"

RULES AND REGULATIONS

ISLAND LIFE VILLAGE
RULES AND REGULATIONS

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Management of this park offers Equal Housing Opportunities. We do business in accordance with Federal Fair Housing Laws and will not discriminate against any person because of race, color, age, religion, sex, handicap, familial status or national origin in the sale or rental of housing; financing of housing; or in providing real estate brokerage services.

Definitions:

"TENANT" means a person who is entitled under a rental agreement with a manufactured home park operator to occupy a manufactured home park lot and who does not own the manufactured home occupying the lot.

"HOME OWNER" means a person who is entitled under a rental agreement with a manufactured home park operator to occupy a manufactured home park lot and who owns the manufactured home occupying the lot.

"RESIDENT" means a person entitled under a rental agreement to the use and occupancy of residential premises to the exclusion of others. It includes both Tenants and Home Owners.

1. OCCUPANCY

A. Any person applying for admittance as a Resident of the park must fill out an application for residency. All approved persons must sign a lease agreement prior to taking possession of a mobile home currently in the park or moving a mobile home into the park.

B. Only mobile homes owned and occupied by persons who have applied and have been approved by Management are permitted. As a condition to approval for occupancy in the park, all Residents are required to show proof of ownership by title or registration.

C. Children are not permitted to play in the streets or in the yards of other Residents, or pass through other Residents' yards, and the parents or guardians of said children shall be held responsible for the actions of children who violate the provisions hereof or the Rules and Regulations. Violations by children of the rules and regulations are considered to be violations by the parents. Parents will be held responsible for damages caused by their children. Children should not be permitted to play in vacant or occupied lots. Children must be off the streets by dark unless accompanied by at least one of their parents or by their guardian. Children are not to climb the trees in the park. No ball playing is allowed in the park streets.

2. SALE AND/OR REMOVAL OF MOBILE HOME

A. A Home Owner has the right to sell his mobile home within the park, and the prospective purchaser may become a Resident of the park. However, the prospective purchaser must qualify pursuant to the requirements of the park rules and regulations, complete the requisite application, and be approved by management. Thus, any prospective Home Owner

must qualify for and obtain prior written approval of park management to become a Resident of the park.

B. Notice to the Park Owner

(1) Sale. A Resident intending to make a bona fide sale of his manufactured home or any interest in it shall give to the Park Owner notice of such intention, together with the name and address of the proposed purchaser, the purchase price and terms, such other information concerning the proposed purchaser as the Park Owner may reasonably require and an executed copy of the proposed contract to sell. Resident shall direct the prospective buyer to the park management for exchange of information, including the market rate which will apply at the expiration of the seller's lease term or at the time of sale.

(2) Application form. The Park Owner is vested with the authority to prescribe an application form such as may require specific personal, social, financial and other data relating to the intended purchaser, or as relates to the proposed lessee, as may reasonably be required by the Park Owner in order to enable the Park Owner to responsibly investigate the intended purchaser, or proposed lessee within the time limits extended to the Park Owner for that purpose as hereinafter set forth and which application shall be completed and submitted to the Park Owner along with and as an integral part of the notice.

(3) Failure to obtain approval of Park Owner. Any person who purchases a mobile home situated in the park but does not, prior to purchase of the home, qualify as, and obtain consent of the Park Owner to become a Resident of the park, shall be subject to immediate eviction pursuant to 723.061(1)(e), Florida Statutes.

(4) Disapproval by the Park Owner. The Park Owner may disapprove the transferee if the transferee does not qualify to be a Resident by delivering or mailing to the transferor, within ten (10) days after receipt of the notice of intent to transfer, notice of the disapproval and the grounds therefor. If the Park Owner shall disapprove a proposed purchaser, such disapproval shall be grounds to deny such purchaser the opportunity to assume the Resident's lease and shall be grounds for eviction in the event such proposed purchaser has taken possession of the respective lot. If the Park Owner shall disapprove a proposed lessee, such disapproval shall be grounds to deny Resident management's consent to such sublease. In the event of disapproval, the Park Owner may pursue all remedies available at law or in equity.

C. Management shall have the right to inspect the interior and exterior of the mobile home prior to approving a prospective purchaser as an acceptable Home Owner in that mobile home. Homes must meet all local code requirements, including electrical and plumbing, but not limited thereto. The purchaser, if approved, shall be required to make any repairs or changes deemed necessary by management to improve or upgrade to park standards. If the mobile home is more than fifteen (15) years old from date of manufacture, purchaser may be required to furnish management with home inspection report from an established home inspection firm,

which document may be used to determine needed repairs or upgrades. If required repairs or upgrades are not made, within thirty (30) days of written notice, management has the right to deny occupancy and require Home Owner to remove the mobile home from the park.

D. Lessee may display one "For Sale" sign, no larger than 12 inches by 16 inches, inside the mobile home window.

E. The Park Owners require that any mobile home not meeting the park's established standards, as required by these rules and regulations, or any mobile homes which are improperly maintained, be upgraded to improve the quality and appearance of the mobile home. Failure of Residents to meet the parks requirements within 30 days of written notice shall be a violation of these rules and regulations.

F. Management reserves the right to refuse to execute a rental agreement with a prospective Home Owner, and to require the removal of a manufactured home based upon the age, deterioration, obsolescence, or appearance of the manufactured home. Management also has the right to require from the home buyer or Home Owner, a certified inspector's report regarding status of electrical or plumbing facilities. The decision of management regarding the status of the mobile home in question shall be binding.

G. In the event Home Owner intends to move his manufactured home from the park he must give written notice to park management of that intent at least 30 days prior to the moving date. Such move must be made between 8:00 AM and 5:00 PM, so management may have an inspector present. Only transporters of manufactured homes, properly authorized by governing authorities, are permitted to move homes into or out of the park. Such transporters must provide management with a certificate of insurance in the amount of \$10,000.00 to ensure against damage to park property. Prior written permission from the Park Owner is required prior to any move or a mobile home either into or out of the park. All current charges should be paid in full at the park office before the home is moved from the park.

H. Management requires that Residents comply with the requirements of all governmental agencies, including but not limited to the Department of Motor Vehicles, State of Florida, Monroe County, and HUD.

3. SET-UP: NEW AND RESALES

A. Mobile homes must be placed in a uniform manner, properly blocked, and all utilities connected in accordance with Monroe County Code and Management's specifications. Mobile homes must be anchored immediately, as required by all governmental regulations.

B. Home Owner agrees that the following standards and requirements shall be met and completed by a licensed contractor under a building permit issued by the Monroe County Building Dept. or other applicable local agency and approved by the park office.

(1) All new mobile homes entering the park must have removable hitches which shall be removed upon anchoring. The hitches on older mobile homes purchased in the park which are designed to be removed, shall nonetheless either be removed or enclosed by extending the skirting to the extent necessary to hide the hitch. Axles and wheels must remain under the mobile home, and the mobile home must remain mobile.

(2) No air conditioning unit shall remain or be mounted in the front window of the mobile home or front wall of any mobile home, or any wall facing a street. Only central air conditioning may be installed in units coming into the park. Existing units, as of 1/1/95, shall be "Grandfathered in" provided they shall be either screened or landscaped acceptable to management.

(3) No aluminum foil or the like shall be placed in any window in the mobile home.

(4) No fences are authorized to be built or maintained on any lot in this park. However, fences may be permitted, after obtaining park management approval, along park borders and to separate lots from safety hazards. Any fencing must be maintained by Resident or management may have the same removed.

(5) Propane tanks are not permitted in front of a mobile home or in any area directly visible to any street on newly installed homes. For homes, existing prior to 1/1/95, screening or landscaping to improve appearance shall be accepted.

4. LOT IMPROVEMENTS BY HOME OWNER

A. Improvements are encouraged; however, any construction of or addition to a mobile home, and its location, including but not limited to porches, skirting, steps, awnings, utility buildings, air conditioners, concrete slabs, carports, and the like, will not be permitted unless the Resident obtains prior written approval from the park management and obtains the necessary governmental approvals and permits when required. If electrical, mechanical or plumbing is upgraded, whether or not to accommodate appliances or improvements of any type, such upgraded service shall be at the sole expense of the Home Owner. Approval is necessary to protect the underground utilities, continuity of park appearance, and the safety of park Residents. In addition to all other remedies available to it, management may require Home Owner to remove any unapproved construction or addition at the expense of Home Owner. Please consult the management of the park before you do any digging, as certain utility and service connections are underground. Cost of repairs for damaged underground services will be assessed to the Home Owner who damages any underground service.

B. Where the park has provided a paved parking area on the lot, the Home Owner, at Home Owner's expense, is responsible for maintaining this paved area, and if damaged during the tenancy, the Home Owner must repair same.

C. In the event the Home Owner wishes to extend the paving available to his lot for use of a vehicle, he may do so after obtaining permission from management, and at the sole cost and expense of the Home Owner.

D. Home Owners must secure their street number on the front of the mobile home. All Home Owners of the park are responsible for installing a postmaster-approved mailbox. Improperly placed mailboxes must be removed.

E. No pools, or other outdoor recreational equipment or vehicles are permitted.

F. Only umbrella-type clotheslines are permitted; however, written approval of their specific location must first be obtained from management. All other types of clotheslines are prohibited and must be removed. Lines of hanging clothes outside and lines strung between trees or carports will not be tolerated.

G. Utility sheds must be aluminum or painted sheet metal and anchored on a poured concrete slab. This shall be a separately poured slab which is neither in the patio area or parking space. A permit must be obtained from the County Building Department if required and a permit from the park management before installing same. Size must meet the approval of management. Wooden sheds may only be erected with the managements approval and the same may be removed by management if Resident fails to maintain the shed according to park standards.

5. LOT CARE

A. It shall be the responsibility of the Home Owner to ensure that his mobile home, yard and all applicable building on his lot are properly maintained in compliance with county and State of Florida housing and health codes or be charged for same. Each Home Owner shall be responsible for the maintenance and cleanliness of his lot. Bottles, cans, boxes, equipment, or debris of any matter shall not be stored outside, beneath, or in a screened enclosure or patio.

B. Mobile Homeowner shall erect no fences, building, or other obstacles at the rear of their lot which might prevent access to any telephone, gas, electric, water, or other utility service.

C. As for those residents who do not have their yards fenced in it shall be the responsibility of the management to mow the lawn and hedge the curbs. It shall, however, be the responsibility of each resident to trim and water its yard. For those Residents who have fenced in their yards it shall be the responsibility of each Resident to keep the lawn mowed, edged, trimmed, and watered. Sod destroyed by neglect, lack of water, or vehicular traffic must be repaired or replaced at Resident's expense. Each Resident is responsible for his respective plants and lawn. They are to be kept free of weeds and should not be permitted to become overgrown. At its option, management may notify Resident of his failure to comply with this provision. Upon failure of Resident to take appropriate corrective action within five days after receipt of

notice, management may, but has no obligation to, have the necessary work performed. Repeated violation of this provision and management may, of its own discretion, remove the fence. Furthermore, it shall be the mobile Resident's responsibility to remove any toys, trash, or debris of any nature from the yard. If the Resident shall fail to do the same then the management may, but has no obligation to, remove the debris as necessary to mow the lawn.

D. All mobile homes must be kept in good repair, including utility buildings. All Residents must repair any water leaks from water line to mobile home immediately. Broken windows, peeling paint, dull exterior of a mobile home, or a general unsightly appearance of the mobile home or the mobile home site must be corrected. Upon failure of Resident to take appropriate corrective action after receipt of notice, management may, but has no obligation to have the necessary work performed, and shall have the right to charge the Resident the actual cost and expense incurred for materials, equipment and labor. This amount shall be collectable in the same manner as rent.

E. Any mobile home which does not have factory, manufactured skirting maintained in a neat and proper condition, in the opinion of management, must have the skirting replaced with the approved skirting as set out above or proper landscaping with prior approval of management. If the present skirting is destroyed by windstorm, an act of God, or any other means, replacement skirting must be of the approved type.

F. Should the Home Owner's mobile home be destroyed by fire, windstorm, an act of God, or any other means, the Home Owner must remove the salvage from the lot within fifteen (15) days, or in the event of hardship this may be extended by management.

G. The planting of trees, shrubbery, and flowers is encouraged; however, to protect underground utilities, it is necessary to receive written approval from management prior to planting. All trees, shrubs and plants on the lot are property of the park and are not to be moved by other than the Home Owner or by other Residents. Nonetheless, plants and shrubs planted by Home Owner may be removed when vacating the lot with manager's approval. Sod must be replaced by Home Owner where planting is removed. Existing trees or shrubs must not be damaged or removed by Home Owner without written permission of the park manager. Home Owner will be permitted to trim, remove, or have removed any tree limb or shrub as desired. Dead trees, or trees and shrubs damaged by high winds, or any other act of God must be removed by Home Owner within seven days. Vegetable gardening is not permitted on any lot. Trees and shrubs must be kept well groomed at all times. Home Owner must cure default under this paragraph within two weeks of written notice as provided herein.

6. VEHICLES

A. Inasmuch as management's manufactured home park is maintained as a private enterprise, its streets are private, and not public thoroughfares.

B. The Resident is permitted a total of two vehicles per lot, provided there is adequate room. All vehicles must have liability insurance in the minimum amount required by Florida law, each Resident must register the vehicle at the office and receive a parking decal. The street right-of-way and common area may be used for parking as designated by management. In the event there is not sufficient space, it is the responsibility of the Resident to locate parking or storage outside the park premises and not on other Residents' lots. Only vehicles licensed and used for daily personal transportation will be allowed to be stored in the park. All other vehicles must be removed from the premises. Management will tow from the park any vehicles which, in its sole judgment, interfere with the peace, privacy, and/or general welfare of other Residents or with the appearance of the park. Vehicles in violation of these rules may be towed away without notice at the Home Owner's expense, payable to the towing service and not to the Park Owner. Residents are responsible for guests' vehicles.

C. Mechanical or other repair of vehicles is not permitted. Vehicles without current licenses and tags, or which are inoperable or in a state of disrepair are not to be stored on the lot or any other area within the park. Washing of vehicles is permitted subject to any rules or regulations promulgated by any local, state or federal agency.

D. No truck larger than three-quarter ton with pickup bed will be permitted in the park. All commercial trucks, boats, off-road vehicles, campers, motor homes, step vans, or other large vehicles are not permitted in the park. Campers, motor homes, boats or delivery vehicles will be permitted reasonable time for loading and unloading, but never overnight. No person may remain overnight or to otherwise reside in the park in any camper, motor home or similar vehicle.

E. Bicycles, motorcycles, and mopeds operated by a Resident will be permitted only as transportation via the shortest route in and out of the park. No joyriding will be permitted within the park by Resident or guests.

F. ATV's, minibikes, dirt bikes, go carts, or any motorized vehicles not properly licensed are prohibited in the park. All permitted vehicles must have factory-type quiet mufflers. No off-road vehicles will be permitted within the park.

G. The speed bumps are a safety factor. The Park Owner or manager is not responsible for any damage or personal injury.

H. Speeding in excess of posted limits is prohibited. All autos, motorcycles, mopeds and any other vehicle must observe the posted speed limits of five miles per hour and obey all "STOP signs" or other posted warnings. A full stop must be made at all stop signs. All of these rules will be strictly enforced as this is for the safety of our park Residents. Please inform all visiting friends about this speed limit.

I. Bicycles and pedestrians have the right of way.

J. Parking along the streets of the park shall be in designated areas only. Failure to park within the designated areas or parking in such a way as to interfere with traffic within the park shall be a violation of these rules and may cause the vehicle to be towed at the owners expense as provided above. Residents shall make sure vehicle is within 6 inches of the curb.

7. PETS

A. One pet of small size, under 25 pounds and a true household pet, is permitted in the park. All dogs and cats must be kept on a leash when outside of Resident's mobile home, accompanied by the Resident, and must stay on their own lot. Droppings must be picked up immediately. No dog houses, dog runs, or fenced pet areas of any kind are permitted. Pets that are noisy and unruly or cause complaints will not be permitted to remain. No exotic pets, such as snakes, chickens, pigs, etc. are permitted. Seeing-eye dogs are allowed in the park.

B. Pets may not be tied or chained outside.

C. Your guests or friends are not permitted to bring a pet into the park. Residents will be held responsible for any violation by the resident's guests. Guest's Seeing-eye dogs are permitted.

8. REFUSE AND GARBAGE

A. All garbage must be wrapped and placed in a garbage container and securely closed at all times. Containers are to be placed in an area least noticeable from the street. Yard trash and cuttings must be put in plastic bags. Limbs must be tied in bundles, none over three feet in length. The garbage company will pick-up trash according to their own schedule.

(1) Resident's are required to use plastic trashbags which are approved by management. Management may require Residents to purchase trash bags from the office to assure sufficient strength in the bag used.

(2) In the event that a Residents trash may be spilled or because of failure to use approved bags shall break, then the Resident shall be required by Management to clean up the trash spill.

(3) Trash cans. Residents may only use plastic trash cans with secure lids. In the event that a resident shall use metal or aluminum cans, then the Management may remove the same.

9. ANTENNAS

A. Outside antennas are permitted in the park, but must be approved in writing by management prior to installation. Ham or citizens band radios or any other equipment that interferes with television reception will not be permitted.

10. RESIDENT CONDUCT

A. Any complaints regarding noise or conduct which management finds objectionable, which disturbs the peaceful enjoyment of the park by neighbors, or a nuisance to other Residents or which constitutes a breach of the peace is prohibited. All Residents and their guests must conduct themselves in an orderly fashion.

B. No alcoholic beverages or drugs are to be consumed in the common areas of the park.

C. Residents will be held responsible for their guests conduct. Guests may not sleep in vehicle.

D. Illegal drugs will not be permitted.

E. Open fires may not be built on park property.

F. No firearms or firecrackers are to be discharged in the park.

11. SOLICITING OR PEDDLING

Soliciting or peddling is not permitted in this park, other than Resident solicitation authorized by Chapter 723, Florida Statutes.

12. BUSINESS

No business or commercial enterprises shall be permitted to operate from or within the park, and no advertising signs may be erected on the Residents lot or mobile home.

13. LAWS

All federal, state, and county laws, and all local regulations or ordinances must be obeyed by the Residents and their guests.

14. WEAPONS

The use or display of weapons on these premises by Residents or guests is prohibited, including firearms, air rifles, slingshots, or any other type of weapon.

15. PATIOS

Only standard lawn or patio furniture, will be permitted on patio or lawn. Patios are not to be used for storage of any items, including household furniture, appliances, mopeds, motorcycles, or other motor powered vehicles.

16. GUESTS

All persons who are not registered with management as approved occupants of a mobile home within the park and who are transient occupants of a mobile home on park premises at the invitation of the mobile Home Owners thereof, are defined as guests. Guests shall not stay in the park more than fifteen consecutive days or thirty days in any year without written permission from park management. Residents shall be solely responsible for the conduct of their guests. All guests must comply with the park rules and regulations. Guests shall not be permitted to reside or stay in the park in the absence of the Resident.

Seasonal occupants are requested to notify the park manager of the period during which the mobile home is vacant. Guests must be signed in and out. Guests will not be allowed to bring a dog or any other animal into the park with them at any time, even for a daily visit. Seeing-eye dogs are permitted.

17. COMPLAINTS AND NOTICES

All complaints must be made in writing at the office of the park. The delivery of written notices required by Chapter 723, Florida Statutes, under the terms of any rental agreement or these rules and regulations shall be by mailing or delivery of a true copy thereof to the park management office as required by Chapter 723, Florida Statutes. If you have any complaints, recommendations, etc., please discuss them with the management and not your neighbors. Avoid passing rumors on to others. Come to the office --- we will be glad to give you the TRUE FACTS and do everything possible to correct unfair situations.

18. USE AND OCCUPANCY

The premises shall be used solely for the purposes of placing a mobile home thereon for the residential use and occupancy of Resident. Without prior written consent of the Park Owner or manager, the premises may not be occupied by more than two persons per bedroom.

19. LIABILITY FOR DAMAGES

Park Owner shall not be liable for any loss of, or damage or injury to, the person or property of Resident, or any occupant, guest, or invitee on the premises, caused by: (a) any condition of the premises of the park; (b) any act, fault, or neglect of any Resident or occupant of the park, or any guest or invitee of any Resident or occupant of the park, or of any trespasser; (c) fire, water, steam, rain, hail, wind, flood, sewage odors, electrical current, insects, or any act of

God; or (d) theft or embezzlement, unless any of the foregoing was caused by park owner's active or willful misconduct. Resident shall indemnify and hold Park Owners harmless from any loss, cost, damage, or expense arising out of any claim asserted by any person because of any loss of, or damage or injury to, the person or property of any person caused by any act, default, or neglect of any occupant of the premises, or of any guest or invitee of any occupant of the premises.

20. INSURANCE

The Park Owner does not provide insurance for Home Owner's mobile home or any of the Home Owner's other personal property located on or about park property including that located on the leased premises. Home Owner is responsible for obtaining insurance, at Home Owner's expense, to cover loss or damage to his mobile home or personal property.

21. GOVERNING LAW

The Park Owner - Resident relationship created by the rental agreement shall be governed by the Florida Mobile Home Act, Chapter 723, Florida Statutes.

22. SUBLETTING AND RENTING

No portion of the premises may be sublet, rented or leased by Resident . Management may lease any manufactured home it owns or leases on park lots. In such cases, Home Owners need not occupy the manufactured home.

23. DEFAULT AND EVICTION

Any violation of the rules and regulations shall, at Park Owner's option, be grounds to terminate the rental agreement, and Home Owner, together with Home Owner's mobile home, shall be subject to eviction in accordance with the procedures set forth in Chapter 723 of the Florida Statutes, for the following reasons:

- (a) non-payment of lot rental amount;
- (b) conviction of a violation of a federal or state law or local ordinances, which violation may be deemed detrimental to the health, safety, or welfare of the other Residents of the park;
- (c) violation of a park rule or regulation, the rental agreement, or Chapter 723, Florida Statutes, as prescribed by Section 723.061, Florida Statutes;
- (d) a change in the use of land comprising the mobile home park or any portion thereof; or;

(e) failure of the purchaser of a mobile home situated in the park to be qualified and obtain approval to become a Home Owner, such approval being required by these rules and regulations.

24. LATE RENTS

Rents shall be due on the first day of each month according to the lease agreement with the trailer park as amended from time to time. Residents are bound by all terms of the lease as well as late fees provided therein. In addition to the remedies for default and eviction, Residents will be charged a late fee as disclosed in the prospectus for any rent payment made after the 10th day of the month that the rent was due.

25. WAIVER

No waiver of any default by Resident shall be implied from any omission by Park Owner to take any action with respect to the default if such default persists or is repeated. No express waiver shall affect any default other than the default specified in the express waiver, and that only for the time and to the extent stated in the express waiver. One or more waivers of any covenant, term, or conditions of the rental agreement by Park Owner shall not be construed as a waiver of a subsequent breach of the same covenant, term, or condition. The consent of the Park Owner to any act by Resident requiring Park Owner's consent shall not be deemed to waive or render unnecessary Park Owner's consent to any subsequent similar act by Resident. The rights and remedies of Park Owner contained herein are cumulative and shall be in addition to those prescribed by law.

THESE RULES AND REGULATIONS SUPERSEDE ALL OTHERS.

DATED: _____

Cedar Key Resort Cooperative

Proprietary Lease-- points of discussion

- Article 4(6) Damage to Unit or Common Facilities at page 4. A seemingly minor point. It is not clear whether the association is obligated to replace damaged common facilities with identical materials or whether the association can upgrade and use better materials. The lease provides that the association shall use materials and quality "then customarily in use." It is usually an advantage to allow the association to rebuild after a casualty with the best materials available at the time of reconstruction, and it gives the association more flexibility if the documents allow the association to deviate from the original specifications when rebuilding, as building technologies age and are replaced with better materials and designs. The phrase "then customarily in use" is unclear and perhaps does not allow new designs or technologies.
- Article 13 permits the association to charge a late fee of \$25 or 5% of the past due installment, and extends the association lien to cover the late fees and interest. The late fee is authorized by the statute. Section 719.108(4) provides for the association lien, and extends the lien to unpaid rents and assessments, plus interest. However, the statute does not allow late fees to constitute a lien against the parcel, and I would take the phrase "or late charges" out of Article 13.
- On page 7, paragraph (v), it appears that the association is conditioning approval of a sale on the current lessee being current in all sums owed to the association. If the association intends to use this provision to hold up a proposed sale of a home to a resale purchaser, this would not be a remedy contained in the statute and should be deleted.
- On page 8, paragraph C, the documents address the situation where a lessee dies, leaving a surviving spouse who is allowed to continue to reside there, but the details of the residency are unclear. Is the spouse required to apply for approval, or how long can the spouse occupy the unit without receiving approval?
- Page 9 paragraph 19 addresses Insurance and requires the association to procure insurance on the common areas, as well as casualty insurance on the cooperative property. The first reference probably refers to liability insurance and should so specify. Liability coverage should probably be obtained for the cooperative property which includes the units since they are owned by the association. The second reference obviously refers to casualty insurance and makes it mandatory for the cooperative property, a term that is defined by statute to exclude Units. Since the association owns all the property in a coop, including the units, the association should procure insurance on the Units as well, and you might change the reference from . The statute in section 719.104(3) requires the association to use its best efforts to obtain adequate insurance to protect the association property (not a term defined by the statute). Finally, that section of the statute further provides that the association may obtain liability insurance for officers and directors. This latter coverage is mandatory in condominiums but is not required by the cooperative statute, but is highly recommended as it is not uncommon for officers and directors to be sued individually. The paragraph might be redrafted as follows:

- Insurance. The Corporation shall use its best efforts to obtain and maintain liability insurance coverage for the cooperative property. The Corporation shall also obtain casualty insurance on the cooperative property, and shall further use its best efforts to obtain and maintain officers and director's liability insurance. The Lessee shall be responsible for any insurance premium insuring Lessee's RV or its contents and the Lessee shall be responsible for maintaining the same. Less shall be solely responsible for procuring flood insurance, if available, in such amounts and coverages as Lessee shall determine.
- On paragraph 22 on page 9, the association is given the right to fine a unit owner who fails to repair any part of the Unit or the RV but is not here given the express authority to step in and make the needed repairs if the parcel owner does not perform.
- Paragraph 29 page 11-13 addresses termination of the lease by the association for such grounds as bankruptcy, default in the payment of assessments, default of any covenant or objectionable conduct. This type of language is typical of older coop documents. The cooperative statute sets forth a garden variety of sanctions and remedies if a parcel owner fails to pay assessments or fails to comply with the rules including foreclosure, fining under certain circumstances, and a suit for enforcement of the covenants. None of these provisions include the severance of membership in the association and I don't believe most of these provisions are legal.
- On page 13, you suggested a new paragraph H to deal with termination. I believe that the old H which you relettered the new I is intended to deal with termination. I frankly cannot locate a termination provision in the cooperative statute, so the current provision H should be fine.
- You had a lot of comments on paragraph 34 on page 16. First, ~shortm